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Message from the President of the United States, in response to the Senate resolution of December 4, 1894, transmitting a report from the Secretary of State, with accompanying papers, relating to affairs at Bluefields, in the Mosquito Territory.

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IN THE SENATE OF THE UNITED STATES.

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MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

IN RESPONSE TO

*The Senate resolution of December 4, 1894, transmitting a report from the Secretary of State, with accompanying papers, relating to affairs at Bluefields, in the Mosquito Territory.*

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JANUARY 3, 1895.—Read, referred to the Committee on Foreign Relations, and ordered to be printed.

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*To the Senate of the United States:*

In response to the resolution of the Senate of the 4th ultimo, requesting "any reports or correspondence relating to affairs at Bluefields, in the Mosquito Territory," and also information as to "whether any American citizens have been arrested or the rights of any American citizens at Bluefields have been interfered with during the past two years by the Government of Nicaragua," I transmit herewith a report from the Secretary of State, with accompanying papers.

GROVER CLEVELAND.

EXECUTIVE MANSION,  
Washington, January 3, 1895.

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THE PRESIDENT:

The Secretary of State, to whom was referred a resolution adopted by the Senate on the 4th ultimo, requesting the President, "if not incompatible with public interest, to send to the Senate any reports or correspondence relating to affairs at Bluefields, in the Mosquito Territory; and also to inform the Senate whether any American citizens have been arrested or the rights of any American citizens at Bluefields have been interfered with during the past two years by the Government of Nicaragua," has the honor to submit the correspondence called for, that the same may be transmitted to the Senate should the President deem it compatible with the public interest to do so.

Although the resolution covers affairs at Bluefields during the past two years, the events to which it relates occurred within the last twelve months.

In December, 1893, war broke out between Nicaragua and Honduras. In January a detachment of Honduran troops seized Cape Gracias á Dios, in Nicaragua, about 60 miles above the Mosquito strip. The *Kearsarge* was ordered to Bluefields to protect the interests of American citizens; but was wrecked on the way on Roncador Reef. Early in February the Government of Nicaragua sent a military force to the strip to repel the threatened invasion. On February 11 the Nicaraguans occupied the Bluff, and on the 12th they took possession of Bluefields, and proclaimed martial law in the reservation. Against this action Clarence, the so-called Mosquito chief, protested.

War vessels of Great Britain and, later, of the United States were sent to Bluefields to protect the respective foreign interests in that locality. The Nicaraguan commissioner to the reservation attempted, with the concurrence of the British naval and consular representatives, to organize a provisional administration for the strip, in which Nicaraguans and foreigners were to take part, but the endeavor proved abortive. This Government withheld its sanction of the scheme as inimical to the sovereignty of Nicaragua, and American citizens at Bluefields refrained from participating in the proposed administration. British marines were temporarily landed to protect life and property in view of threatened disturbance, but they were withdrawn when the necessity for their presence no longer existed, and thereafter an American vessel sufficed for all needs of foreign protection.

In July last a movement against the Nicaraguan authority was temporarily successful, the so-called Indian Government was for a time restored, the Bluff captured with loss of life on the part of Nicaragua, and the Nicaraguan garrison of Bluefields expelled. A few citizens of the United States who are believed to have taken part in this insurrection left the country. Two Americans, Lampton and Wiltbank, accepted municipal office under the short-lived régime, and they and ten or twelve others, mostly English and Jamaicans, were arbitrarily arrested and banished. The urgent remonstrance of this Government and its demand that the two Americans be allowed a hearing, and in any event an opportunity to arrange their affairs before expulsion, resulted in permission being given them to return to Bluefields under pledge of good behavior.

With these exceptions, and perhaps that of one Ausburn, whose return was for a short time refused, but afterwards allowed, the undersigned is not advised that American citizens in Bluefields have been arrested. Sundry complaints growing out of interruptions of trade and use of American vessels by the Nicaraguan authorities have had proper attention, and will doubtless yield to the usual methods of treatment.

During the period covered by the events in question the Nicaraguan Government withdrew the exequatur of Mr. Braida, the United States consul at San Juan del Norte, on the ground of his alleged unfriendly acts, but it was subsequently restored.

An unfortunate incident for a time threatened to strain the good relations between this Government and that of Nicaragua. One Wilson, an American citizen, having been murdered at Rama by Argüello, the temporary governor of the town, a demand for the trial and punishment of the criminal and his accomplice was made. Argüello was arrested at Rama, but escaped, with the evident connivance of the local authorities, and his rearrest and detention at Bluefields were followed by a second escape, under circumstances indicating gross negligence, to say the least, on the part of those responsible for his safe custody. He is said to have fled the country, thus baffling the efforts of the proper

authorities to do justice in the case. The Nicaraguan Government, however, testified its abhorrence of the atrocious crime by dismissing Torres from the office of governor of Rama, and by sending another commissioner to the reservation in place of Lacayo, who was in command at Bluefields at the time of the second escape.

The facts above stated and incidental references to the treatment of the question of the interoceanic canal by the Government of Nicaragua appear in the correspondence.

It will be observed that from the beginning of the conflicts, which at times were serious, this Government has steadily recognized the paramount sovereignty of Nicaragua over the entire reservation, yielding to no pretensions inconsistent with that sovereignty.

At no time during the last forty or fifty years has the so-called native Indian government in the strip been real. On the contrary, it has been an alien municipal government administered according to alien methods. Although Americans and American interests have for sometime predominated in the strip, this Government, while intervening in proper cases for their protection, has consistently disavowed any right of its own or of its citizens to govern the reservation or participate in its political affairs. Whatever right of self-government the Indians enjoyed under the treaty concluded between Great Britain and Nicaragua was to be exercised by themselves and not by aliens in their name. That treaty contemplated the eventual surrender by the Indians of their right to govern themselves and other inhabitants of the strip, and their "incorporation into the Republic of Nicaragua on the same footing as other citizens of the Republic."

A copy of a convention, concluded on the 20th of November last, is herewith communicated, by which it is declared that the Mosquito Islands, while retaining "special privileges" in accordance with their "customs" and "racial disposition," have "agreed wholly to submit to the laws and authorities of Nicaragua for the purpose of forming part of the political and administrative organization."

Great Britain, it is proper to say, has given this Government the most positive assurance that she asserts no right of sovereignty or protection over the territory, but on the contrary respects the full and paramount sovereignty of the Government of Nicaragua.

Respectfully submitted.

W. Q. GRESHAM.

DEPARTMENT OF STATE,  
*Washington, January 2, 1895.*





# TABLE OF CONTENTS.

No.	Name.	Date.	Subject.	Page.
		1894.		
1	Mr. Seat to Mr. Gresham (telegram).	Jan. 25	Honduras invading Cape Gracias; man-of-war asked for.	9
2	Mr. Gresham to Mr. Baker....	Feb. 1	Transmits copy of No. 1. <i>Kearsarge</i> ordered to that quarter.	9
3	Mr. Baker to Mr. Gresham....	Feb. 9	Transmits Mr. Seat's report of Jan. 22 to Mr. Braida, relative to bad condition of affairs in the reservation.	10
4	Mr. Baker to Mr. Gresham....	Feb. 9	Incloses petition of American residents at Bluefields for a war vessel of the United States.	12
5	Mr. Braida to Mr. Uhl .....	Feb. 13	Nicaraguan troops took possession at Bluefields, Feb. 10 and 11.	13
6	Mr. Braida to Mr. Uhl .....	Mar. 2	Incloses Mr. Bingham's communication to Nicaraguan commissioner at Bluefields, Feb. 27.	14
7	Mr. Guzman to Mr. Gresham..	Mar. 5	Recites telegram of Mar. 5 to him.....	15
8	Mr. Baker to Mr. Gresham (telegram).	Mar. 6	Recites Mr. Braida's telegram to him.....	15
9	Mr. Gresham to Mr. Baker (telegram).	Mar. 7	Answer to No. 8 .....	15
10	Mr. Braida to Mr. Uhl.....	Mar. 7	Incloses report of Mr. Seat, dated Mar. 6, and copy of treaty between General Lacayo and Mr. Howe, countersigned by Mr. Bingham.	15
11	Mr. Baker to Mr. Gresham (telegram).	Mar. 8	Mosquito asks protection of British consul against Nicaragua.	17
12	Mr. Baker to Mr. Gresham...	Mar. 8	With nine inclosures as to Nicaraguan authority in the Territory.	18
13	Mr. Gresham to Mr. Bayard (telegram).	Mar. 9	As to landing of British.....	26
14	Mr. Gresham to Mr. Baker (telegram).	Mar. 14	Asking the reason for landing troops by Great Britain.	26
15	Mr. Bayard to Mr. Gresham (telegram).	Mar. 15	British Government does not desire a protect- orate.	26
16	Mr. Bayard to Mr. Gresham...	Mar. 16	As to British attitude; amplifies telegram of 15th.	27
17	Mr. Braida to Mr. Uhl.....	Mar. 17	Reports what he saw and did at Bluefields; incloses two dispatches from Mr. Seat.	28
18	Mr. Braida to Mr. Uhl .....	Mar. 18	Further report. <i>Canada</i> arrived.....	31
19	Mr. Baker to Mr. Gresham....	Mar. 20	Incloses note of caution to Mr. Braida .....	31
20	Mr. Braida to Mr. Uhl.....	Mar. 22	Incloses his dispatch to Mr. Baker of Mar. 21..	32
21	Mr. Braida to Mr. Uhl .....	Mar. 26	Defends himself against charges of hostility to Nicaragua.	34
22	Mr. Gresham to Mr. Braida (telegram).	Mar. 28	Reprimand to consul.....	34
23	Mr. Bayard to Mr. Gresham..	Mar. 29	Incloses Lord Kimberley's memorandum of Mar. 24.	34
24	Mr. Braida to Mr. Uhl.....	Mar. 29	Transmits decree of Mr. Madriz and petition of American residents of Bluefields.	40
25	Mr. Braida to Mr. Uhl .....	Mar. 31	Incloses correspondence with British vice-con- sul as to Provisional Government.	43
26	Mr. Gresham to Mr. Baker (telegram).	Mar. 31	Demands full report of situation at Bluefields..	44
27	Mr. Baker to Mr. Gresham (telegram).	Apr. 1	Explains causes of delay in transmitting report .	44
28	Mr. Gresham to Mr. Baker...	Apr. 2	Acknowledges receipt of correspondence relat- ing to disturbed situation in Mosquito Reser- vation.	45
29	Mr. Baker to Mr. Gresham (telegram).	Apr. 6	Political situation in the Mosquito Reservation..	45
30	Mr. Baker to Mr. Gresham (telegram).	Apr. 9	Reports Nicaraguan troops to enter Bluefields for police duty.	45
31	Mr. Baker to Mr. Gresham...	Apr. 10	Transmits response of Nicaraguan Government concerning the shooting of Wilson.	45
32	Mr. Baker to Mr. Gresham...	Apr. 10	Transmits copy of agreement for the tempo- rary government of the Mosquito Reserva- tion.	47
33	Mr. Baker to Mr. Gresham...	Apr. 10	Incloses communications relating to the send- ing of troops by the Nicaraguan Government into Bluefields.	48

## Table of contents—Continued.

No.	Name.	Date.	Subject.	Page.
		1894.		
34	Mr. Gresham to Mr. Bayard (telegram).	Apr. 17	Reprimand for failure to give full information..	49
35	Mr. Herbert to Mr. Gresham..	Apr. 21	Transmits telegram from commanding officer of <i>San Francisco</i> .	49
36	Mr. Gresham to Mr. Baker ....	Apr. 26	Withdrawal of exequatur from Consul Braidá ..	50
37	Mr. Gresham to Mr. Baker....	Apr. 26	Instructions relating to the killing of Wilson, etc.	51
38	Mr. McAdoo to Mr. Gresham..	Apr. 26	Incloses copy of letter from Captain Watson, commanding <i>San Francisco</i> , dated April 16, reporting state of affairs in Mosquito.	52
39	Mr. Guzman to Mr. Gresham..	Apr. 30	Incloses correspondence relating to the construction of the Nicaragua Canal.	67
40	Mr. Gresham to Mr. Bayard ..	Apr. 30	Instructions relating to the protection of the autonomy of the Mosquito Reservation.	68
41	Mr. Gresham to Mr. Guzman.	May 1	Acknowledges receipt of No. 39 .....	69
42	Mr. Baker to Mr. Gresham....	May 2	Gives reasons why, in his opinion, Nicaraguan rule would be fatal to the interests of Mosquito Territory and Americans residing there. Gives instances illustrating unfriendly attitude of Nicaragua toward United States. Incloses statements and suggestions of foreign residents of Mosquito Territory. Urges necessity of having a war vessel of the United States present.	70
43	Mr. Guzman to Mr. Gresham.	May 10	Nicaragua Canal.....	83
44	Mr. Baker to Mr. Gresham...	May 10	Political situation in the Mosquito Reservation..	84
45	Mr. Baker to Mr. Gresham....	May 11	Escape of Argüello (murderer of Wilson) from jail; incloses documents tending to show that Argüello was practically at large and suggests that the removal of the Nicaraguan commissioner, Lacayo, be demanded.	87
46	Mr. Gresham to Mr. Baker...	May 12	The killing of Wilson .....	88
47	Mr. Gresham to Mr. Baker...	May 12	Temporary renewal of Consul Braidá's exequatur.	89
48	Mr. Gresham to Mr. Baker....	May 12	Acknowledges receipt of No. 42. Instructs him not to disparage Nicaragua's claim to paramount sovereignty.	90
49	Mr. Uhl to Mr. Baker .....	May 14	The killing of Mr. Wilson.....	90
50	Mr. Gresham to Mr. Baker...	May 21	Interview with President concerning situation at Bluefields and willingness of Nicaraguan Government to meet just demands of the United States.	90
51	Mr. Uhl to Mr. Baker (telegram).	May 22	Authorizes instant rebuke and redress for the culpability of Nicaraguan officials for Argüello's escape.	91
52	Mr. Bayard to Mr. Gresham (telegram).	May 22	Interview with Lord Kimberley disclaiming desire of Great Britain to obtain a protectorate over any portion of Nicaragua.	91
53	Mr. Uhl to Mr. Baker.....	May 23	Culpability of Nicaraguan Government for escape of the murderer of William Wilson.	92
54	Mr. Baker to Mr. Gresham ..	May 24	Transmits correspondence relating to the escape of Argüello. Mr. Wilson's murderer.	93
55	Mr. Baker to Mr. Gresham...	May 28	Reports removal from office of Torres and Lacayo.	94
56	Mr. Bayard to Mr. Gresham...	May 28	Interview with Lord Kimberley on the subject of the Bluefields disturbances.	94
57	Mr. Baker to Mr. Gresham....	May 30	Incloses a letter from a Bluefields resident and gives view of situation in Nicaragua.	97
58	Mr. Baker to Mr. Gresham...	June 4	Incloses communication from Captain Watson.	97
59	Mr. Baker to Mr. Gresham....	June 5	Interview with minister for foreign affairs relative to Nicaraguan Canal enterprise.	98
60	Mr. Baker to Mr. Gresham...	June 7	Has been careful not to question Nicaragua's right of sovereignty over the Mosquito Reservation.	101
61	Mr. Baker to Mr. Gresham...	June 9	Breach of good faith by Nicaragua in returning troops to Bluefields, incloses correspondence relating thereto.	102
62	Mr. Baker to Mr. Gresham...	June 11	No satisfaction rendered by the Nicaraguan Government for William Wilson's murder.	103
63	Mr. Gresham to Mr. Baker...	June 13	Does not sanction any action tending to question Nicaragua's sovereignty in the Mosquito Reservation.	107
64	Mr. Gresham to Mr. Baker....	June 13	Desire expressed to see Argüello captured and condignly punished.	107
65	Mr. Uhl to Mr. Baker .....	June 14	Not sanctioning position assumed by him as to the renewal of Consul Braidá's exequatur.	108
66	Mr. Guzman to Mr. Gresham.	July 5	Transmits copy of note from minister of foreign affairs of Nicaragua and other communications relating to the salient points of disagreement with Nicaragua.	109

Table of contents—Continued.

No.	Name.	Date.	Subject.	Page.
67	Mr. Guzman to Mr. Gresham.	1894. July 9	Claims that erroneous reports have been transmitted to the United States Government relative to the Wilson murder.	114
68	Mr. Herbert to Mr. Gresham.	July 10	Transmits telegram from Captain O'Neil, reporting political situation at Bluefields.	115
69	Mr. Baker to Mr. Gresham ...	July 11	Recognizes the soundness of the principles contained in Department's instructions and defends position assumed by him in virtue thereof.	116
70	Mr. Braida to Mr. Uhl.....	July 11	Transmits report of Consular Agent Seat on revolt of Indians and Jamaicans of Mosquito Reservation. Protection of U. S. S. <i>Marblehead</i> asked.	117
71	Mr. Gresham to Mr. Baker (telegram).	July 12	Requests report whether Americans participated in Mosquito disturbances.	120
72	Mr. Guzman to Mr. Gresham.	July 12	Transmits copy of telegram from minister of foreign affairs announcing that Americans had participated in Mosquito uprising.	120
73	Mr. Gresham to Mr. Baker ...	July 12	Inaccurate translation by him of a passage in note of minister of foreign affairs. Requests the transmittal of full details.	121
74	Mr. Baker to Mr. Gresham...	July 14	Relates to the participation of Americans in the Bluefields uprising.	123
75	Admiral Ramsay to Mr. Gresham.	July 17	Transmits telegram from Captain O'Neil reporting situation at Bluefields.	124
76	Mr. Braida to Mr. Uhl.....	July 18	Transmits correspondence on expected disturbances.	125
77	Mr. Herbert to Mr. Gresham.	July 19	Transmits telegram from Captain O'Neil concerning situation at Bluefields.	126
78	Mr. Gresham to Mr. Bayard..	July 19	Instructions on Bluefields affairs; easy solution of them.	126
79	Mr. Baker to Mr. Gresham (telegram).	July 20	Reports uprising of Indians in Mosquito Reservation.	128
80	Mr. Gresham to Mr. Bayard..	July 23	Announces uprising of Indians in Mosquito Reservation and probable participation therein by Americans.	128
81	Mr. Braida to Mr. Uhl.....	July 23	Transmits report of Mr. Seat giving particulars as to disturbances. Prompt action by Captain O'Neil.	129
82	Mr. Baker to Mr. Gresham ...	July 27	Reports difficulty of communication with Bluefields, etc.	132
83	Mr. Herbert to Mr. Gresham..	July 27	Incloses letters from Captain O'Neil giving full particulars of situation.	135
84	Mr. Guzman to Mr. Gresham.	July 27	Incloses documents from Nicaraguan authorities showing the desire to capture Argüello.	149
85	Mr. Adee to Mr. Bayard.....	Aug. 2	States the reports show that no responsible or reputable American citizens participated in Mosquito uprising.	151
86	Mr. Gresham to Mr. Baker ...	Aug. 4	Instructions to protect innocent American citizens.	151
87	Mr. Baker to Mr. Gresham ...	Aug. 8	Defends the position assumed by him in executing Department's orders.	152
88	Mr. Baker to Mr. Gresham ...	Aug. 8	Transmits correspondence relative to the charter of an American vessel by the Nicaraguan Government; question of neutrality.	152
89	Mr. Bayard to Mr. Gresham ..	Aug. 10	Reports interview with Lord Kimberley .....	154
90	Mr. Baker to Mr. Gresham...	Aug. 11	Transmits correspondence relating to the Government of the Mosquito Reservation.	156
91	Mr. Herbert to Mr. Gresham.	Aug. 15	Incloses copies of communications received from Commander O'Neil, of the <i>Marblehead</i> , dated July 21 and 25, relating to political situation in Nicaragua.	158
92	Mr. Gresham to Mr. Baker (telegram).	Aug. 16	A very small number of Americans participated in the uprising at Bluefields.	168
93	Mr. Gresham to Mr. Guzman.	Aug. 18	States that the United States minister reports that the minister for foreign affairs claims that the Americans are at the bottom of the trouble at Bluefields; regret of the President of the United States at such expressions.	168
94	Mr. Guzman to Mr. Gresham .	Aug. 18	Bluefields matters; disclaims any hostile remarks about the United States having been made by the under secretary of state for Nicaragua.	169
95	Mr. Gresham to Mr. Baker...	Aug. 21	Bluefields disturbances and acknowledgment of dispatch relative to remarks of under secretary.	170
96	Mr. Gresham to Mr. Bayard..	Aug. 22	Bluefields matters; sovereign rights of Nicaragua to be upheld.	170
97	Mr. Braida to Mr. Uhl.....	Aug. 23	Transmits correspondence relative to the release of Messrs. Lampton and Wiltbank.	170

*Table of contents—Continued.*

No.	Name.	Date.	Subject.	Page.
		1894.		
98	Mr. Baker to Mr. Gresham...	Aug. 27	Arrest of American citizens; illness and defective mail transportation causes of delay in transmitting information.	172
99	Mr. Baker to Mr. Gresham...	Aug. 28	Arrest of Messrs. Lampton and Wiltbank.....	173
100	Mr. Gresham to Mr. Baker (telegram).	Aug. 29	Regret of President to learn of arrest of American citizens: requests their immediate open trial.	174
101	Mr. Baker to Mr. Gresham...	Aug. 30	Transmits correspondence relating to the arrest of Messrs. Lampton and Wiltbank.	174
102	Mr. Braidà to Mr. Uhl.....	Aug. 30	Transmits correspondence relating to Bluefields matters.	176
103	Mr. Baker to Mr. Gresham (telegram).	Aug. 30	Reports expulsion from Nicaragua of American citizens without trial.	178
104	Mr. Baker to Mr. Gresham...	Aug. 30	Expulsion of Messrs. Lampton and Wiltbank ..	178
105	Mr. Baker to Mr. Gresham (telegram).	Sept. 2	Reports Nicaragua's refusal to give trial to American citizens.	179
106	Mr. Baker to Mr. Gresham...	Sept. 3	Reports the arrest of Messrs. Lampton and Wiltbank, and transmits correspondence thereon.	179
107	Mr. Baker to Mr. Gresham...	Sept. 12	Reports Nicaraguan authorities seem impressed with the idea that Americans are at the bottom of the Bluefields disturbances.	184
108	Mr. Guzman to Mr. Gresham...	Sept. 22	Gives reasons for the expulsion of Messrs. Lampton and Wiltbank.	184
109	Mr. Gresham to Mr. Baker...	Sept. 24	Permission to Messrs. Lampton and Wiltbank to return to Nicaragua to close up business.	185
110	Mr. Braidà to Mr. Uhl.....	Sept. 25	Transmits affidavit of N. L. Latson, purser of the American steamship <i>Yulu</i> .	185
111	Mr. Baker to Mr. Gresham...	Sept. 26	Transmits correspondence relating to Messrs. Lampton and Wiltbank.	188
112	Mr. Gresham to Mr. Baker...	Sept. 26	Incloses correspondence relating to the appropriation by Nicaragua of the property of "The Bluff Improvement Land Co."	189
113	Mr. Gresham to Mr. Baker...	Oct. 1	Nicaragua's right of sovereignty over the Mosquito Reservation not to be questioned; hence right of Nicaragua to expel Messrs. Lampton and Wiltbank if they were participants in insurrection; a reasonable time to be allowed them to close up their business affairs.	190
114	Mr. Baker to Mr. Gresham...	Oct. 10	Transmits correspondence on the subject of Messrs. Lampton and Wiltbank's return to Nicaragua for a reasonable time.	191
115	Mr. Gresham to Mr. Baker (telegram).	Oct. 25	Nicaraguan minister has advised his Government to allow Messrs. Lampton and Wiltbank's return.	192
116	Mr. Guzman to Mr. Gresham.	Oct. 26	Transmits sworn declaration of ex-under secretary for foreign affairs, denying hostile statements against the United States attributed to him.	192
117	Mr. Gresham to Mr. Baker....	Oct. 30	The expulsion of Messrs. Lampton and Wiltbank.	193
118	Mr. Guzman to Mr. Gresham...	Nov. 2	Revocation of the banishment of Messrs. Lampton and Wiltbank.	194
119	Mr. de Soto to Mr. Uhl.....	Nov. 9	Return of Messrs. Lampton and Wiltbank to Nicaragua.	194
120	Mr. Gresham to Mr. Baker....	Nov. 15	Seizure by Nicaragua of property of "The Bluff Improvement Land Co."	195
121	Mr. Guzman to Mr. Gresham ..	Nov. 22	Transmits telegram from his Government announcing that Great Britain does not recognize Nicaraguan rule in Mosquito Reservation.	196
122	Mr. Guzman to Mr. Gresham (telegram handed).	Nov. 24	Nicaragua requests American Government to send man-of-war to Bluefields.	196
123	Mr. Bayard to Mr. Gresham...	Nov. 24	Great Britain only desires redress of affronts, and her action wholly unconnected with political rights in the Mosquito Reservation.	197
124	Mr. Gresham to Mr. Bayard (telegram).	Nov. 24	Requests inquiry as to Great Britain's refusal to recognize Nicaraguan rule in Mosquito Reservation.	198
125	Mr. Bayard to Mr. Gresham (telegram).	Nov. 27	English war vessel not ordered to Bluefields....	198
126	Mr. Bayard to Mr. Gresham...	Nov. 27	Interview with Earl of Kimberley relative to British action.	198
127	Mr. Gresham to Mr. Bayard (telegram).	Nov. 28	Misstatements in the press as to the attitude of the United States in the Bluefields affair.	200
128	Mr. Gresham to Mr. Bayard ..	Dec. 3	Comments on Lord Kimberley's declarations...	200
129	Mr. Gresham to Mr. Baker (telegram).	Dec. 15	Asks if Mosquito Indians have been incorporated.	200

*Table of contents—Continued.*

No.	Name.	Date.	Subject.	Page.
		1894.		
130	Mr. Baker to Mr. Gresham (telegram).	Dec. 17	Mosquito Indians have been incorporated in Nicaragua.	201
131	Mr. Gresham to Mr. Baker (telegram).	Dec. 17	Mosquito Indians have surrendered rights under treaty of 1860.	201
132	Mr. Gresham to Mr. Bayard (telegram).	Dec. 19	Captain Sumner, commander <i>Columbia</i> , informs Department that British Government will not recognize Nicaraguan commissioners in Mosquito; Chief Clarence to be taken back.	201
133	Mr. Bayard to Mr. Gresham (telegram).	Dec. 20	All intentions and reports of reestablishment of Clarence denied absolutely.	201
134	Mr. McAdoo to Mr. Gresham.	Dec. 21	Transmits extracts from Captain Sumner's letter relating to political situation in Bluefields.	202
135	Mr. Bayard to Mr. Gresham ..	Dec. 22	Incorporation of Mosquito Indians with Nicaragua.	203
136	Mr. Guzman to Mr. Gresham.	Dec. 28	Announces that the Mosquito convention has passed a resolution to incorporate their territory in Nicaragua; incloses a copy of the convention.	204
137	Mr. Gresham to Mr. Bayard..	Dec. 31	Incorporation of Mosquito Indians with Nicaragua: incloses text of instrument by which incorporated.	207
138	Mr. Gresham to Dr. Guzman.	Dec. 31	Acknowledges note of 28th and expresses gratification of this Government at satisfactory solution of Mosquito Indian question.	208

No. 1.

*Mr. Seat to Mr. Gresham.*

[Telegram.]

BLUEFIELDS, NICARAGUA, *January 25, 1894.*

Honduras invading at Cape Gracias. Lives and millions property American citizens unprotected. Appeal for man-of-war to Bluefields Mosquito Reservation, at once.

SEAT, *Consular Agent,*  
(and fifty citizens of the United States).

No. 2.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE,  
*Washington, February 1, 1894.*

SIR: I transmit for your information a copy of a telegram<sup>1</sup> from our consular agent at Bluefields, Nicaragua, touching an invasion of the troops of Honduras at Cape Gracias; also a copy of a letter of the Secretary of the Navy by which you will see that the *Kearsarge* has been ordered to that quarter.

I am, etc.,

W. Q. GRESHAM.

<sup>1</sup> No. 1.

[Inclosure in No. 2.]

*Mr. Herbert to Mr. Gresham.*NAVY DEPARTMENT,  
Washington, January 27, 1894.

SIR: I have the honor to submit, for your information, the following translation of a cipher dispatch sent by this Department to the commander in chief of the North Atlantic Station:

JANUARY 27, 1894.

STANTON, *Port au Prince*:

The United States consular agent reports Honduras invading at Cape Gracias a Dios, Nicaragua. Go immediately with *Kearsarge* to protect lives and property of American citizens at or in neighborhood of Bluefields, Nicaragua, and report condition of affairs. Subsequent movements left to your discretion.

HERBERT.

Very respectfully, etc.

H. A. HERBERT,  
*Secretary of the Navy.*

No. 3.

*Mr. Baker to Mr. Gresham.*LEGATION OF THE UNITED STATES,  
*Managua, Nicaragua, February 9, 1894. (Received March 5.)*

SIR: I have just received from United States Consul Braida a report from B. B. Seat, United States consular agent at Bluefields, a communication of which I inclose herewith a copy.

It relates to the unsatisfactory condition of political affairs in the Mosquito Reservation.

There seems to be trouble brewing in that quarter.

I have, etc.

LEWIS BAKER.

[Inclosure in No. 3.]

*Mr. Seat to Mr. Braida.*UNITED STATES CONSULAR AGENCY,  
*Bluefields, Nicaragua, January 22, 1894.*

SIR: In compliance with your request made some time ago, I transmit herewith a brief report relating to the condition of public affairs in the Mosquito Reservation.

We have recently had considerable local excitement, caused by rumors of a threatened invasion of the Mosquito Reservation by bodies of armed men from Honduras.

About the 5th of the present month about two hundred Nicaraguan soldiers were landed at Bluefields, and were quartered for several days on the steamboat *Mabel Comeaux*, which lies in the harbor in front of the town.

They were awaiting transportation to Honduras, and were finally sent forward to their destination on board the schooner *Ensmo White*, which was towed as far as Cape Gracias by the steamer *Yeslie*. Their presence at Bluefields did not fail to produce a stir and commotion among the natives and residents of the town.

The chief, or more properly his advisers, construed the mobilization of Nicaraguan troops within the reservation as an infraction of their rights under the treaty of Managua.

One of the Mosquito officials, by the name of Usher Hodgson, called on Commissioner Lacayo, and demanded the withdrawal of the soldiers or the surrender of their arms to the municipal authorities of the town. Of course the commissioner refused to comply with the demand.

On the 13th instant a written communication, signed by Robert Henry Clarence, chief, was received by the commissioner, protesting against the presence of armed soldiers of Nicaragua, and serving notice on the commissioner that protest would be made to Her Britannic Majesty's Government.

The commissioner answered the chief's communication, notifying him that the Republic of Nicaragua was then at war with Honduras, and that the necessity had arisen for placing the coasts and frontier of the sovereign in a state of defense, and that only the sovereign could determine the measures for such defense; that no treaty obligations could bind the sovereignty to jeopardize its own existence; that he, the chief, had no diplomatic recognition; that he had no foreign relations or representation and no international responsibility, and that, therefore, he did not recognize his right to interpret for himself the treaty obligations of the sovereign, nor did he (Lacayo) admit the right of England to interfere in any way whatever.

On the 15th instant the soldiers were sent forward, as above stated, to the Honduras border.

Since the departure of the soldiers two meetings have been held in the town for the alleged purpose of devising ways and means for the local protection of life and property, in which some foreign residents as well as natives were participants.

A question arose as to the right of the people to organize military forces without the consent and approval of the sovereign power.

The commissioner was willing that a local guard should be organized, but to be under the control of the sovereign power and to be replaced by the Nicaraguan troops when they returned.

I do not know if any agreement was arrived at, but on yesterday morning a body of twenty-five natives, armed with Remington rifles, commanded by one officer, marched up and down the principal street and afterwards assembled at the old government building, where they seemed to have established temporary quarters.

The commissioner is certainly charged with a very delicate mission, and I fear will have an exceedingly difficult task to establish here a due recognition of the sovereign authority without some local trouble.

The political authority of the reservation has been in the hands of the same set of men for many years past, each one of whom has not hesitated to assume the functions of one, two, and three offices, and that without accountability to any source but themselves.

Two natives of the Island of Jamaica, one J. W. Cuthbert and one John D. Thomas, both of whom claim their British nationality, are the acknowledged leaders of this ring of rulers; and under their control the others have become thoroughly inoculated with the idea of their local independence of the sovereign, and that their political status, as such, is fully recognized, and that they are under the special protection of Great Britain. Hence they are exceedingly tenacious of the power so long wielded by themselves in the reservation, and which they have come to look upon as legitimate and proper.



As a matter of fact the Mosquito Indians proper know but little of the Government as it exists; and according to well authenticated reports have become dissatisfied and have recently developed considerable opposition to this local régime.

They claim that they are not the beneficiaries of anything that is done; that their country is being alienated and its wealth squandered for the enrichment of their rulers, while they as a people are left destitute and poor.

The administration of justice in the reservation has long been a practical failure, to such an extent that scarcely anyone thinks now of appealing to the local courts for the assertion of any legal right.

Their courts will render a judgment, but they will not issue an execution upon such judgment, and consequently the debtor class in the reservation has a free bill, while the creditor class is left without a remedy.

It seems to be the purpose of the commissioner to remedy existing abuses by the reincorporation of the reservation into the Republic, but I fear this can not be effected without opposition from the people who at present control the reservation.

I have, etc.,

B. B. SEAT,  
*United States Consular Agent.*

Received January 24, 1894, forwarded to the United States legation, at Managua, January 28, per dispatch No. 19.

A. C. BRAIDA,  
*United States Consul.*

No. 4.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, February 9, 1894. (Received March 5.)*

SIR: I herewith transmit a petition forwarded to me by Consul S. C. Braida, of Greytown, Nicaragua. The petition briefly sets forth the unsettled condition of affairs in the Mosquito Reservation; and the signers respectfully ask that a United States war vessel be sent to that coast for the protection of American interests. Consul Braida earnestly indorses this application.

Respectfully submitted, etc.

LEWIS BAKER.

[Inclosure in No. 4.]

*Petition addressed to Consular Agent B. B. Seat.*

BLUEFIELDS, *Mosquito Reservation, Nicaragua.*

DEAR SIR: News having reached here that Honduran troops are at Cape Gracias á Dios, Nicaragua, and as war exists at present between the Governments of Nicaragua and Honduras, we, as citizens of the United States of America, having at stake our lives and our properties, hereby appeal through you to our Government at Washington to furnish as quickly as possible a man-of-war for our protection.

Honduras is noted for its cruel warfare, and if the Mosquito Reservation should fall into its hands, over a million dollars of property belonging to citizens of the United States would be pillaged and plundered and many lives sacrificed.

We therefore pray unusual haste be made to afford us the protection we ask for.

Please transmit this by dispatch boat leaving for Greytown, and urge Consul Braida to cable at once to the Department of State, and should the wires to the interior be down, we authorize Consul Braida, at our expense, to charter a conveyance for Port Limon, to cable from that port.

We are, respectfully,

(Twenty-seven signatures follow.)

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No. 5.

*Mr. Braida to Mr. Uhl.*

CONSULATE OF THE UNITED STATES,

*San Juan del Norte, February 13, 1894. (Received February 27.)*

SIR: I beg to report that Nicaraguan troops occupied Bluefields during the night of February 10-11, and took possession of all the public buildings.

The chief sent a protest to Her British Majesty's consul, Mr. H. F. Bingham, at this port, who himself showed me the whole correspondence between the chief and Don Carlos Alberto Lacayo, the commissioner of Nicaragua.

It is believed that the Nicaraguan Government does not intend to incorporate the reservation by force, but that an assembly of all the chiefs of the Indian tribes will be called in, in order to establish a new council and a municipal authority. So far it has not come to any serious conflict, but the excitement is very great.

The intimations and protests which the young chief addressed to the commissioner were ill advised, and will render it difficult for the British Government to favor Mosquito.

The commissioner very energetically declined to give the chief explanations—even calling some of the latter's pretensions "idiotic." I have all this information only from the British consul, to whom the chief sent a special boat asking for protection.

Mr. H. F. Bingham was also informed by an Englishman, coming from the Wanks River, that Honduraneans had taken Cabo Gracias á Dios; that they killed the Nicaraguan governor, Franc. Guerrero, and that the soldiers had left for the bush.

We are entirely cut off from the interior, and no steamer is expected to come down, on account of the defeat of the Nicaraguan army, the steamship *Victoria* being needed on the lake.

I am, etc.,

S. C. BRAIDA,  
*United States Consul.*

No. 6.

*Mr. Braida to Mr. Uhl.*

UNITED STATES CONSULATE,  
*San Juan del Norte, March 2, 1894. (Received March 16.)*

SIR: I succeeded in procuring, just a few moments before the departure of a special schooner for Bluefields, a Spanish copy of Mr. H. F. Bingham's (the British consul's) first communication to the Nicaraguan commissioner at Bluefields. I am hardly able to have it translated in time, and therefore beg to excuse the form of transmission.

I am, etc.,

S. C. BRAIDA,  
*United States Consul.*

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[Inclosure in No. 6.]

*Mr. Bingham to General Lacayo.*

BRITISH CONSULATE,  
*Bluefields, February 27, 1894.*

YOUR EXCELLENCY: It is my duty to call your attention to the following infractions of the treaty of Managua and of the interpretation of His Imperial Majesty the Emperor of Austria:

1. The treaty expressly stimulates that the flag of the Mosquito Reservation shall be allowed to be flown simultaneously with that of the sovereign State, provided it is furnished with an emblem of the sovereignty of Nicaragua.

2. That the commissioner of the supreme Government must not meddle with the internal affairs of the Mosquito Indians, or exercise any jurisdiction in the Mosquito district.

3. The Republic of Nicaragua is not entitled to regulate the trade of the Mosquito Indians, or to levy duties on goods imported into, or exported from, the territory reserved to the Mosquito Indians. That right belongs to the Mosquito Indians.

In view, therefore, of the actual state of affairs here, I have now to request that your excellency will be good enough to comply with the stipulations of the treaty and restore the "status quo", pending such other arrangements as may be made by the high contracting powers, as it is impossible to allow such serious infractions to continue, no consent having been either asked for or obtained from Her Majesty's Government or the Mosquito Indians.

Your excellency must see that such violation of the treaty, publicly exercised before a foreign community and in the presence of a British ship of war, must, sooner or later, call for the interference on the part of the latter, should such a line of conduct be continued in.

I should be obliged if your excellency would be good enough to give me your answer at your earliest possible convenience.

I have, etc.,

H. F. BINGHAM,  
*Her Britannic Majesty's Consul.*

Conforme. Bluefields, March 1, 1894.

CARLOS A. LACAYO.

## No. 7.

*Mr. Guzman to Mr. Gresham.*LEGATION OF THE REPUBLIC OF NICARAGUA,  
*Washington, March 5, 1894.*

SIR: Appended to the present communication I have the honor to send to Your Excellency copy of a telegram addressed to me by the vice-consul of Nicaragua at New York.

The report contained in this dispatch has been already published in the American daily papers, as Your Excellency may have seen.

With all consideration, I am, etc.,

H. GUZMAN.

[Inclosure in No. 7.]

*Mr. Straus to Mr. Guzman.*

[Telegram.]

NEW YORK, *March 2, 1894.*

British war ship *Cleopatra* landed armed force Bluefields, compelling Nicaraguans to raise state of siege. *Cleopatra* returned Jamaica. British soldiers remained.

## No. 8.

*Mr. Baker to Mr. Gresham.*

[Telegram.]

LEGATION OF THE UNITED STATES,  
*Managua, March 6, 1894.*

Consul Braida telegraphs fifty English soldiers landed Bluefields; strongly urged American warship.

## No. 9.

*Mr. Gresham to Mr. Baker.*

[Telegram.]

DEPARTMENT OF STATE,  
*Washington, March 7, 1894.*

If you verify Braida's telegram report alleged grounds for landing

## No. 10.

*Mr. Braida to Mr. Uhl.*UNITED STATES CONSULATE,  
*San Juan del Norte, March 7, 1894. (Received March 21.)*

SIR: I beg to transmit herewith a report of consular agent, Mr. Seat, at Bluefields. The Nicaraguan troops arrived here on their way

to the interior, on board of Her Majesty's ship *Cleopatra*, yesterday morning.

I furthermore inclose, in translation, a copy of the provisional treaty concluded between Gen. C. A. Lacayo and Captain Howe, commander of the *Cleopatra*, countersigned by Her British Majesty's consul, Mr. H. F. Bingham, who also returned on the man-of-war from Bluefields.

I am, etc.,

S. C. BRAIDA,  
*United States Consul.*

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[Inclosure 1 in No. 10.]

*Mr. Seat to Mr. Braida.*

UNITED STATES CONSULAR AGENCY,  
*Bluefields, Nicaragua, March 6, 1894.*

DEAR SIR: I seize the opportunity of reporting briefly the latest occurrences in Bluefields.

First. On the 3d of March an agreement was arrived at for the organization of a temporary provisional government for the Mosquito Reservation.

Second. This agreement was concluded between "Captain Howe, commander of the British war ship *Cleopatra*," and Gen. Carlos A. Lacayo, and it provided for the appointment of a municipal council consisting of four persons, two of whom are appointed by General Lacayo and two appointed by myself, and Lacayo to be the presiding officer of such council.

Third. The parties appointed by Lacayo are Don Necho Thomas, of Roma, and Dr. N. Barbarina, and the parties appointed by myself are Messrs. Samuel Weil and J. S. Lampton, both American residents of Bluefields.

The agreement also provided that the English language should be the business and court language of the country.

Fourth. It was also agreed that the Nicaraguan soldiers should be retired, leaving only a police guard of some twenty men until the provisional government could be established.

Fifth. The order to retire the Nicaraguan soldiers was executed on the 5th, and they went on board the war ship *Cleopatra* and sailed the same evening for San Juan del Norte.

Sixth. After the soldiers were withdrawn (martial law having been declared off), there was an interregnum, during which time there was really no established authority in the reserve.

Seventh. About 3 o'clock, p. m., after the retirement of the soldiers, a Jamaica negro, said to be the servant of Commissioner Lacayo, walked down the main street, revolver in hand, firing right and left among the crowds of people standing and passing to and fro.

Eighth. After firing some five shots, which almost miraculously did no injury, he was assaulted by a number of persons with clubs, rocks, etc., and beaten almost to insensibility.

Ninth. All the negro population seemed to be intensely excited over this occurrence, and were collected in groups on the main street, all talking and gesticulating excitedly.

Tenth. At night, however, everything seemed quiet as usual, and people went to their homes and all was still, and the streets presenting their accustomed lonely, desolate look.

Eleventh. About 9 o'clock p. m. a shot was fired in the upper end of the town, then another, then another, until some twenty shots or more were fired; and this startled the whole population, so that suddenly the streets were crowded with excited crowds of men and frightened women and children, and it was then ascertained that two of the policemen on King or Main street had been killed near a drinking shop belonging to a native by the name of Martin Ellis.

Twelfth. The vice-consul, E. D. Hatch, and Commissioner Lacayo joined in a request of the officer commanding the British marines to bring his marines on shore as quick as possible to protect life and property and to prevent riot and bloodshed.

Thirteenth. The request was promptly responded to, and this morning we are feeling secure in the presence of Her Britannic Majesty's hardy, brave-looking marines.

Yours, etc.,

B. B. SEAT,  
*United States Consular Agent.*

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[Inclosure 2 in No. 10.—Translation.]

*Provisional treaty for Mosquito.*

No. I. The commissioner will organize a police force for the security of Bluefields.

No. II. The commissioner will also organize a municipal council, consisting of five persons, two of whom will be appointed by the American consul and three by himself.

No. III. The military forces now in Bluefields and within the Mosquito Reservation will be withdrawn.

No. IV. The commissioner declares that he will respect all international promises between the Republic and Her Britannic Majesty's Government.

C. A. LACAYO.  
H. HOWE,  
H. F. BINGHAM.

Correct translation:

S. C. BRAIDA,  
*United States Consul.*

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No. 11.

*Mr. Baker to Mr. Gresham.*

[Telegram.]

LEGATION OF THE UNITED STATES,  
*Managua, March 8, 1894.*

Nicaragua claims sovereignty over Mosquito Reservation; placed troops; Bluefields declared martial law. Mosquito authorities protested; asked protection British consul. English soldiers landed later. English and Nicaraguan troops temporarily withdrawn. Referred to British minister, Guatemala.

No. 12.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, March 8, 1894. (Received April 4, 1894.)*

SIR: Referring to my cablegram of this date in connection with the condition of affairs in that section of Nicaragua known as the Mosquito Reservation, I have the honor of submitting to you inclosures numbered from 1 to 9, inclusive, which contain all of the information within my possession.

I have had full conferences with President Zelaya upon the general subject, and he has shown me all of the correspondence which is in his possession upon the question. This correspondence, however, is quite limited.

The President informs me that the legal citizens—the native Indians—of the Mosquito Reservation have been crowded out of all participation in the affairs of the Government, and that Jamaica negroes, who are British subjects, have usurped the rule of the territory, to the detriment of the interests of both the native citizens and the white Americans who are doing business there. The President seems impressed with the duty of extending the power and jurisdiction of the Nicaraguan Government over the disputed territory.

By reference to inclosure No. 9 you will observe the commissioner of the Nicaraguan Government, Mr. Carlos A. Lacayo, and the British consul, H. F. Bingham, of Greytown, have entered into an agreement by which the military of both Governments were withdrawn and the administration of the Government temporarily placed in the hands of a commission, which body is to be selected by Mr. Lacayo's naming three members and Mr. Bingham two.<sup>1</sup> In the meantime, the future of the territory will be discussed between the British minister at Guatemala and the Government in this city.

The President expresses satisfaction at the courteous manner in which the commander of the British man-of-war acted and with the present situation of affairs.

I have, etc.,

LEWIS BAKER.

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[Inclosure 1 in No. 12.]

*Mr. Braida to Mr. Baker.*

CONSULATE OF THE UNITED STATES,  
*San Juan del Norte, February 23, 1894.*

SIR: I have the honor to report the arrival of Her British Majesty's ship *Cleopatra*, Commander Howe; she dropped anchor yesterday morning at 8 a. m. off this port.

The captain called this morning at this consulate and at the governor's.

The *Cleopatra* is to proceed to morrow evening, with Consul H. F. Bingham on board, to Bluefields, and later to Cabo Gracias.

I beg to include herewith a telegram in cipher of the a. b. c. code No. 66, which I intended to send you to-day, and which was refused by order of Governor Rivas.

I am, etc.,

S. C. BRAIDA,  
*United States Consul.*

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<sup>1</sup> But see inclosure 1 in No. 10.

[Inclosure 2 in No. 12.]

*Mr. Braida to Mr. Baker.*

CONSULATE OF THE UNITED STATES,  
*San Juan del Norte, February 26, 1894.*

SIR: I have the honor to transmit you herewith the copies of Mr. Seat's—the United States consular agent at Bluefields—report and inclosures of importance. The merchants in the reservation had been the beneficiaries of special privileges under the former administration, which they wished to be perpetuated by the new régime. For example, they had not been required to present certified invoices upon their importations; and consequently, the values of such importations were accepted upon the mere statements made by themselves or their agents, and these practices or privileges must have been allowed, either by agreement or through the ignorance of the former authorities.

Of course, honestly acquired vested interests should be recognized under any circumstances and protected, no matter what change of commission takes place; however, Mr. Seat did not ask the commissioner in his communication to protect any such special privilege acquired from the former Government through the ignorance of those who had control of affairs at that time, but all vested interests of Americans in the reservation should have full recognition and protection by the sovereign power.

The institution of martial law at once supersedes all other authority in the district in which it exists, and while it does exist all rights of every description might be swept away, as no means of relief are left to those upon whom it operates.

In his answer the commissioner did not give any assurance that any interests would be recognized, but expressed the opinion that the supreme Government would do so.

A large majority of Americans and others were ripe for some conservative reform of existing abuses, regarding as they did the controlling faction as corrupt and incompetent to govern, where the conditions required a higher order of intelligence and character than those then in authority, under the Mosquito chief. But the necessity of instituting martial law and declaring the whole reservation in a state of siege had not occurred to anyone, either native born or foreigner.

This sudden change from a comparative state of independence to one of purely bayonet rule has had a paralyzing effect upon every line of industry, and if it continues will certainly lead to a disastrous shrinkage in values of every description.

I am, etc.,

S. C. BRAIDA.

[Inclosure 3 in No. 12.]

*Mr. Seat to Mr. Lacayo.*

UNITED STATES CONSULAR AGENCY,  
*Bluefields, February 15, 1894.*

SIR: I have just received this morning a communication signed by a number of the residents of the reservation setting forth the fact that they represent property interests in the reservation amounting to one and a half million dollars or more; that they have inaugurated industrial enterprises, invested large sums of money, built up extensive business connections, established important trade relations with every



portion of the said reservation, and that they hold leases, contracts, concessions, grants, etc., from the deposed Mosquito Government, which they fairly and honestly acquired from the said Government in good faith and at full, fair, and valuable considerations.

They further state that they have acquired the aforesaid interests, invested their aforesaid capital, and have projected and conducted their aforesaid various enterprises for years past under the guaranties afforded by the constitutional provisions of the Mosquito code and by the terms and stipulations of the treaty of Managua, and that the rights and interests so acquired have become vested rights and interests, of which they can not be justly deprived by any change of the local dominion; and that the said vested rights and interests, if not fully recognized and protected by the new régime, will signify the destruction of the local trade, the ruin of the commerce of the reservation, and the impoverishment of those who had endeavored to develop and advance the country. They further declare that they do not call into question the sovereign authority of Nicaragua to occupy the territory of the Mosquito or its right to change the local administration of the reserve, but they aver that in whatever changes are made they are entitled to be duly considered as an element whose interests must be affected by any and all changes that may be made which would ignore or deprive them of the rights and interests heretofore acquired in good faith under the former administration of affairs in the Mosquito Reservation.

They further state that they are fully aware of the cordial relations existing between their home Government and the Government of Nicaragua, and that they would wish to see such cordial relations perpetuated and strengthened, and that they believe that they will be, by a due observance of the rights and duties of each toward the other, and a due respect for their mutual interests; and they have full confidence that all their rights will be recognized and eventually adjusted according to equity and good conscience. But since the promulgation of martial law within the district of Mosquito, they are impressed with the necessity of an immediate recognition of their said rights in the reserve as American residents, and of assurances from the proper source that their interests will be protected and held to be inviolable by the sovereign power of the Republic.

They have therefore appealed to me as the American representative at this port to solicit from you some definite assurances that all vested rights and interests of Americans in the reserve will be respected and be given recognition and adequate protection by the sovereign authority.

During the existence of martial law in this district the liability of insurance companies is suspended; they therefore ask to be informed, in cases of loss by fire, how are the sufferers to be reimbursed and by whom?

They also respectively inquire if the Spanish language is to be substituted for the English in the business forms and transactions of the country, and in the local courts; and if so, will it not operate a hardship on the people of the reserve, this being almost purely an English-speaking community.

With great respect, I am, etc.,

B. B. SEAT,  
*United States Consular Agent.*

[Inclosure 4 in No. 12.]

*Mr. Seat to Mr. Braida.*UNITED STATES CONSULAR AGENCY,  
*Bluefields, Nicaragua, February 22, 1894.*

SIR: Since my last letter, written on the 15th instant, I have to report that there has been but little change in the situation.

The town continues under martial law, and some sort of military edict [is] issued almost daily from the headquarters of Commissioner Lacayo.

Early on the 10th instant a bulletin appeared and was distributed in the streets giving an account of the landing of the troops, and assuring the inhabitants of the town that they need not fear a few Nicaraguan soldiers, as Her Majesty the Queen of England would certainly carry out her treaty obligations to the chief of Mosquito. \* \* \*

On the same day, the 10th, a proclamation from Commissioner Lacayo appeared, notifying the citizens of Bluefields of the existence of war between Honduras and Nicaragua, and assuring them that the Nicaraguan soldiers were here to defend the homes and interests of natives and foreigners, and that they had nothing to fear.

Between the 10th and 12th some communications were passed between Commissioner Lacayo and the Mosquito chief, the exact nature of which I could not ascertain, but was informed that the chief had notified the commissioner that he was violating the treaty of Managua by bringing armed soldiers into Bluefields, and that he (the commissioner), his officers and soldiers, were subject to arrest for such violation of the law.

On the morning of the 12th instant a proclamation was issued by Rigoberto Cabezas, declaring martial law and the town in a state of siege; a copy of which proclamation is herewith attached.

The promulgation of martial law naturally produced intense excitement, as it had not been anticipated. The chief and others of his Government officials left the town and a large body of the native negroes of Bluefields.

On the 15th instant the merchants and other American residents addressed an official letter to myself as the representative of America, asking me to communicate with the commissioner and solicit from him some special assurances that the vested rights and interests of Americans in the reserve would be recognized and protected.

The same day I prepared a letter, setting forth the requests made by the American residents, and asking the commissioner for assurances in behalf of my countrymen that their vested interests and rights would be recognized and protected by the sovereign authority.

On the 17th instant I received from the commissioner a reply to the above, acknowledging the receipt of the letter and stating that it would be forwarded to his Government for consideration, and that he entertained no doubt that the rights not only of Americans, but of all other persons would be recognized and protected.

On the 19th instant an order was issued directed to the merchants requiring all vessels bringing goods from abroad to discharge them at the Government's wharf at the Bluff; second, prohibiting them from making fast to private wharves; third, requiring them to present their invoices in Spanish, and authenticated by a Nicaraguan consul at the port of departure, or by a notary public; and in case of noncompliance to be subjected to fine.

The same day a notice was served on the merchants requiring them to present themselves at the office of the collector at 3 p. m. on the 20th, for the purpose of liquidating their duties, and imposing a fine of \$25 a day for every day's delay in presenting their paid invoices.

This embraces the most important orders issued since the occupation of the town and since the promulgation of martial law.

I believe the orders have been complied with generally up to the present time.

This morning there are reports on the streets of a housebreaking and several persons abused by the Nicaraguan soldiers, and there is also reported to have been a considerable exodus of the negro population.

Yours, etc.,

B. B. SEAT,  
*United States Consular Agent.*

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[Inclosure 5 in No. 12.]

*Saml. Weil & Co., and others, to Mr. Seat.*

DEAR SIR: Inasmuch as the commissioner of the Republic of Nicaragua to the Mosquito Reservation has deposed the local government and declared martial law, we, the citizens of the United States of America, merchants of Bluefields and vicinity, feel that our interests, which amount to at least one and one-half million dollars, are not protected, and rights, privileges, and vested rights obtained and enjoyed are in danger of being taken away from us.

By the action of declaring martial law a serious fault is committed against our interests, for it makes all insurance policies null and void and places all our properties in jeopardy, and in case of fire our losses and hardships would be severe, and in many instances the possessions of citizens of the United States would thus be swept away and leave them in poverty.

Many of us have leases, contracts, grants, and concessions obtained honorably from the deposed Mosquito Government, and for valuable considerations; and from expressions uttered by Sr. Carlos A. Lacayo, commissioner, these are in danger of not being recognized by the Nicaraguan Government, to our injury.

We have made our investments in this reservation, knowing there existed a guaranty in the shape of treaty, which treaty has been observed and been in effect for over thirty years, and our capital, labor, and fortunes within this reservation have been placed here by us with the feeling that we were living in a free zone, with perfect security, and not to be affected by the well-known caprices of a Latin-American government.

Now, by the action of the said commissioner, the fruits of our labor, the commerce of the reservation, which has been developed and is upheld almost solely by the citizens of the United States, will be hampered and eventually ruined; for the duties existing here prior to the deposing of the local authorities were lenient and moderate, and it is now proposed by the Nicaraguan authorities now in charge of the Mosquito Reservation to increase said duties and collect them, and there is no telling where or when the further increase of duties will end.

The Spanish language to be introduced here, within a territory that has been an English speaking one for years, and all records kept in

that language, will work hardships upon us, and can be used to entrap us to commit ourselves.

The new authorities will require consular invoices from the United States, entailing extra expense upon the merchants and more labor. This was not required by the previous Government; and as our importations come mainly from New Orleans, La., U. S. A., and steamers remain in that port frequently only long enough to discharge and load, the time entailed to make these invoices in Spanish will work to our injury.

The officers appointed thus far by the said commissioner are collector of customs, treasurer, port surgeons, and some minor officers. The collector of customs has issued the inclosed circular requesting them to pay duties to him.

We recognize the supreme authorities of Nicaragua, and are not protesting against their placing troops here; for we acknowledge same to be their rights, simply protesting against Nicaragua interfering with any of the local laws of the reservation affecting our previous rights and privileges.

American shipping has been hampered by being required to obtain certain manifests, permits, and same serve to detain said vessels unnecessarily, and were not required heretofore by the local authorities.

Therefore, as our representative, we respectfully ask that you address a note to the acting authorities requesting that they give pledges and guaranties that the interests, vested rights, rights and privileges enjoyed by citizens of the United States shall remain intact and shall not be interfered with, and would also respectfully ask that you will inform our Government of the situation, the jeopardy our properties are placed in, and that we ask the good offices of the United States to secure for us the protection of our rights that we are entitled to.

Sam'l Weil & Co.; Sam. D. Spellman, agent for Geo. D. Emery; The New Orleans and Central American Trading Co., Julius Fueolander, managing; Jno. Wilson; Wilson & Ingram; Brown, Harris & Allen; H. Ebenpaeger & Co.; J. A. Peterson; Bluefields Banana Co., per Tho. W. Waters; Paul Osterbout; G. C. Haight; Sam'l Serf; J. S. Lampton; Henry F. Jepiuger; G. B. Ehlen; Adolph Pomarontz; S. Nathen; B. Frank; C. P. Jessup; H. G. Tom.

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[Inclosure 6 in No. 12.]

*Mr. Lacayo to Mr. Seat.*

[Translation.]

BLUEFIELDS, *February 17, 1894.*

American Vice-Consul, present:

I have the pleasure of referring to your communication of the 16th, in which you acknowledge the receipt of a communication signed by the American citizens, resident of the city, in which they joined for the purpose of representing that they possess acquired interests within the reserved territory; that they expect guaranties for those interests; that they recognize the right of the foreign authority of Nicaragua to occupy the territory, and hope that the cordial relations existing between the Government of Nicaragua and the United States will be cemented now

with the respect which the interests of the Americans merit; and lastly, you ask to obtain through my official authority an immediate recognition of those interests, and that as the insurance policies on their said property are suspended during the existence of martial law, who is to reimburse them for their losses in case of accident by fire, and at the same time you inquire concerning the language to be adopted in this country.

Your very important communication will be forwarded to the supreme Government to be considered, and I have no doubt that not only will the rights of Americans but those of all other persons who possess such right will be protected.

In regard to the situation of affairs, and the consequences, they are clearly determined by the law of nations.

Nicaragua is not responsible for any private transactions.

With all consideration, I am, etc.,

CARLOS A. LACAYO.

[Inclosure 7 in No. 12.]

*Proclamation of Commissioner Lacayo.*

To the Citizens of Bluefields, greeting:

You know that, challenged by the tyrant who reigns in Honduras, we accepted as a duty to our national honor the glove that was thrown down.

The war has been occasioned by an ambitious and criminal man whose barbarous actions are known to you.

It was he who bombarded an American vessel which had on board the minister of the United States.

He is the same cruel tyrant who failed to respect anything in his own country, even to women and children, and the same who, naming himself chief of the Mosquito Reservation, proceeded to throw his wild hordes on these unprotected cities which would have happened, if in the battle of Ilaya our soldiers had not routed them.

Notwithstanding that we have fortified Cape Gracias a Dios, the marauders from Vasquez could invade this port, if Nicaragua were to leave it without defense.

Our forces have arrived and you have with you the vanguard of the soldiers of Nicaragua.

They come to defend your homes and your interests, and they come also to save the lives and interests of the strangers, for which Nicaragua is responsible by international law, and would be criminally negligent if she did not do all that is in her power to give them the protection of her flag and soldiers.

General Cabezas is the honorable chief of our military forces, who promises to have the laws of the Republic respected, which are the rights and guarantees of each person.

Have faith in our army, whose heroism and bravery have planted our glorious and victorious banner in the last bulwark of Vasquez.

The people of Bluefields have nothing to fear.

Our sovereignty is their safeguard.

CARLOS A. LACAYO,

*Comisario de la Reserva Mosquitia.*

BLUEFIELDS, NICARAGUA, *February 10, 1894.*

[Inclosure 8 in No. 12.]

*Proclamation of Intendente General Cabezas.*

## PROCLAMATION.

Considering that having been refused the rights of Nicaragua of putting forces in its territory by the chief of the Mosquito Reservation;

That the same chief, in a letter addressed to the commissioners of the Republic, the contents of which letter were communicated to me, opposed openly the mobilization of Nicaraguan forces, menacing to capture and chastise the soldiers who carry arms;

That the referred note signified a categorical denial of the sovereignty of Nicaragua and the disavowal to the legitimate authorities;

That in the war in which she is involved all acts which favor an enemy are crimes of high treason;

Therefore, by the powers and faculties invested in me, I decree:

ART. 1. Military occupation of the city of Bluefields and declare it in a state of seige.

ART. 2. To ignore the authorities in office appointed by the Mosquito Government. The commissioner of the Republic will organize, according to necessity, the régime of administration and police.

ART. 3. No crafts can leave the city or port without a pass from my office.

ART. 4. It is prohibited to form groups or public meetings, or to carry arms.

ART. 5. The transgressions which are committed against the order and security of the State will be punished by martial law.

Given in Bluefields, Monday, 12th February, 1894.

RIGOBERTO CABEZAS,  
*Intendente General of the Atlantic Coast.*

[Inclosure 9 in No. 12.]

*From Jose Vita to President Zelaya.*

[Telegram—Translation.]

SAN JUAN DEL NORTE, *March 6, 1894.*

MR. PRESIDENT: I have the honor of communicating to Your Excellency the following:

BLUEFIELDS, *March 4, 1894.*

In the house of the governor of Nicaragua, in the city of Bluefields, there assembled the captain of the English man-of-war *Cleopatra*, the English consul, and the commissioner of the Republic to the reservation, to confer for the purpose of adjusting the present difficulties arising for the military occupation of the reservation. While the several governments are debating the question, a *modus vivendi*, conforming to the following articles, is established:

First. The commissioner will organize a police for the protection and safety of Bluefields.

Second. The commissioner will also organize a municipal council, composed of five persons, two to be named by the consul (British),<sup>1</sup> and three by the commissioner.

Third. The military forces will be withdrawn from the city of Bluefields and from the reservation.

<sup>1</sup>So in the translation of Senor Vita's telegram. In the rest of the correspondence it is stated that two municipal councilors are to be named by the American consul.

Fourth. The commissioner acknowledges the validity of all international treaties existing between the Republic and Great Britain.

CARLOS A. LACAYO.  
A. PENGONTIONAS.  
H. F. BINGHAM.  
(*Sic* H. HOWE, *Capt.*)

I have the honor to be Your Excellency's obedient servant,

JOSE VITA.

NOTE.—The above was kindly furnished me by President Zelaya.  
L. B.

No. 13.

*Mr. Gresham to Mr. Bayard.*

[Telegram.]

DEPARTMENT OF STATE,  
*Washington, March 9, 1894.*

We have trustworthy information that a few days since a British military force landed at Bluefields in the Mosquito territory. You are instructed to ascertain and report fully by cable the occasion for this action.

No. 14.

*Mr. Gresham to Mr. Baker.*

[Telegram.]

DEPARTMENT OF STATE,  
*Washington, March 14, 1894.*

Did Great Britain land troops under asserted right of sovereignty or only for protection? Prompt answer desired.

No. 15.

*Mr. Bayard to Mr. Gresham.*

[Telegram.]

LONDON, *March 15, 1894.*

Just had an audience with Lord Kimberly, who is without precise knowledge or reliable information of occurrences at Bluefields. British Government have given no instructions and are awaiting information which, when received, will be promptly and fully communicated to the United States. British consul at Greytown telegraphed, 4th of March, British minister at Guatemala, that Nicaraguans suddenly seized Bluefields and displaced Mosquito flag, behaving violently and cruelly. Because of disorders and dangers to residents, British war vessels visited Bluefields. Mosquito flag rehoisted, quiet restored, pending settlement. Extract from Lord Salisbury note of March, 1889, in Foreign Relations for that year, page 469, has full concurrence of Lord Kimberly, "No protectorate in substance or form, nor anything in

nature of protectorate, desired or intended by British Government." Read in this connection instructions, Bayard to Phelps, No. 530, November, 1888. I believe landing of forces was to extend safety to residents and check violence.

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No. 16.

*Mr. Bayard to Mr. Gresham.*

EMBASSY OF THE UNITED STATES,  
*London, March 16, 1894. (Received March 26.)*

SIR: \* \* \* On the 15th, when I went to the foreign office, I stated the solicitude of my Government to be fully informed of the particulars of the incident of landing an armed force from a British man-of-war at Bluefields. I found Lord Kimberley (just in office) very willing to tell me all he knew, but in fact with but little to communicate that, to use his own words, "had either precision or reliability."

My telegram<sup>1</sup> is as near the intelligible substance of his statements as possible.

There were no orders given by this Government, and no instructions applied for, prior to the landing, nor could his lordship inform me from whom the application came nor to whom it was made, and they have since endeavored to obtain knowledge of all the facts, and appear to be very disinclined to interference.

The collision (whatever it was) between the Nicaraguans and the Indian residents of the reservation occurred suddenly, and I have a strong impression that had the *Kearsarge* arrived before the British vessel, an endeavor would have been made by her commander to avert danger and protect the lives and property of American citizens in that remote and unregulated locality.

Lord Kimberly read to me from a telegram—a somewhat obscure report from the British consul at Greytown—that there was a claim asserted by the Nicaraguans that at some time prior (date not given) an agreement by the Indian council of the reservation had been made, while two British vessels were in port, for the incorporation of the reservation into the Nicaraguan territory, and that their action of hauling down the Mosquito flag at Bluefields was in consequence of such an agreement.

All this telegraphic communication is necessarily imperfect and but slightly reliable, and I am promised by Lord Kimberley instant information, as it shall be received hereafter at the foreign office.

In my last telegram I made reference to certain correspondence which is contained in the volumes of our Foreign Relations, as giving the most reliable basis of dealing with events as they are now being disclosed.

The status of the "reservation" of the Mosquito Indians in relation to Nicaragua is anomalous, and is to-day embarrassed by the very regrettable action of Nicaragua in consenting without notice or consultation with the United States, to submit in 1879 the question of the degree of her sovereignty over the Indian territory of Mosquito to the umpirage and sole arbitration of the Emperor of Austria-Hungary. Nor do I understand the action of Great Britain, who by her convention of 1850 (the Clayton-Bulwer treaty) with the United States, by

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<sup>1</sup> See No. 15.



which the attitude and relations of both of those high contracting parties in relation to the Central American States and their territories were so carefully considered, so that the two Governments had pledged themselves to a mutual and several abstention from political interference or control in that geographical region; and yet, without consultation or notice to the United States, the award of a foreign government of Europe is sought and accepted, which, as it has been proved more than once, contains results of a most important and influential character upon the very questions which the treaty of 1850 was intended to control.

For this reason I respectfully referred you to an instruction dated November 23, 1888, by the then Secretary of State to Mr. Phelps, then minister at the Court of St. James, which is to be found at page 759 of the Foreign Relations volume for 1888.

By that instruction it will appear that Nicaragua had at once called upon the United States, when the British representative at Nicaragua proposed intervention by his Government in relation to the exercise of certain acts of sovereignty—according to the usual and accepted meaning of that word—by Nicaragua over the territory occupied by the Mosquito Indians, and included in the “reservation” which they were to occupy under and subject to that sovereignty.

The views of the United States Government, as set forth in the instruction referred to, were communicated to the British Government on December 4, 1888, but no reply was made until the month of March following, and when a change of Administration in the United States had just taken place.

The reply of the Marquis of Salisbury was delivered by the British chargé d'affaires in Washington on the 28th of March, 1889, and there the question was allowed to rest for four years, and not until February, 1893, was the correspondence renewed, as I find by the files of this office.

At the date last mentioned, Mr. Foster, then Secretary of State, instructed Mr. Lincoln (my immediate predecessor here), who communicated a copy thereof to Lord Rosebery, then Her Majesty's secretary of state for foreign affairs, and no reply has yet been made thereto.

May I respectfully suggest that all the correspondence above referred to—the documents containing the treaty of Managua, between Great Britain and Nicaragua, the terms of the reference to and the award of the Emperor of Austria—be printed by the United States, so as to present compendiously the questions involved, in order that they may receive a just, intelligent, amicable, and satisfactory solution.

An interesting and important part of the history of this question is contained in the instruction, dated April 26, 1873, by Mr. Fish, then Secretary of State, to General Schenck, United States minister to Great Britain. That document is on file in this embassy.

I have, etc.,

T. F. BAYARD.

No. 17.

*Mr. Braida to Mr. Uhl.*

CONSULATE OF THE UNITED STATES,  
*San Juan del Norte, March 17, 1894. (Received March 26.)*

SIR: I beg to report that on the morning of the 13th instant I arrived in Bluefields on board of the steamship *Yulu*, in compliance with the request of Mr. Seat, United States consular agent at that place, and

also in compliance with the urgent appeals made to me by American citizens, several of whom had gone to Greytown as a delegation to bring me back with them to this place.

Mr. F. H. Bingham, the British consul at Greytown, returned with me. On arrival in Bluefields we found the place occupied by the British marines and soldiers as had been previously represented, and good order maintained by them as a police authority. Every day since my arrival I have met Mr. Bingham and General Lacayo, or his representative, in conference concerning the creation of a provisional government for the Mosquito Reservation, and propositions and counter propositions have been made, but none could be agreed on by all the parties up to the present date on account of the wide range of power sought to be obtained by the Nicaraguan representatives. They ask to make Lacayo virtually the governor of the reservation, with very large discretionary powers, while the American elements insist that there should be no interference by any other than the people, who should be left free to create their own local régime. The matter of Corn Island was also taken up and a petition of the citizens of that island considered. It asked protection from the British. A British man-of-war was at Corn Island recently.

I had anticipated this in a telegram to Minister Baker at Managua some ten days ago.

The American element do not consider themselves as being the parties to settle the questions now in issue here, but both the Nicaraguans and the British seem especially anxious that the Americans shall take a prominent part in the arrangements made, and do not seem inclined to agree upon measures and settle matters themselves, but to be determined to shoulder a great part of the responsibility upon the Americans.

The Americans residing here realize the necessity of getting clear of the incompetent negro domination, but they are afraid of Nicaraguan cupidity and tyranny.

Something may be effected within the next few days, as all parties are growing anxious under the present situation. I beg to include Mr. Seat's last dispatches explaining the situation, which is still unchanged.

I beg to say further that the Americans in a meeting held at the clubroom on the evening of the 13th instant appointed Sam Weil and B. B. Seat as a special delegation to proceed to Washington to place matters before our home Government, and they will probably go on the return trip of the steamship *John Wilson*, about the 20th instant.

I have, etc.,

S. C. BRAIDA,  
*United States Consul.*

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[Inclosure 1 in No. 17.]

*Mr. Seat to Mr. Braida.*

UNITED STATES CONSULAR AGENCY,  
*Bluefields, Nicaragua, March 11, 1894.*

MY DEAR SIR: Since my last to you on the 6th instant the situation has remained in statu quo.

The protocol for a provisional council, mentioned in my last report, which had been adopted by Consul Bingham, the captain of the *Cleopatra*, and Lacayo, did not receive full favor, and I suggested that the number of delegates to the proposed council should be eight instead of

four, so as to represent in the council not only the Nicaraguan and American elements, but also the British subjects, the Indian and native creoles.

This amendment was accepted and agreed on between Captain Howe and Lacayo in this office in my presence on the evening of the 7th instant.

It was to be presented to the council at its first meeting by Mr. Lacayo, the chairman, and adopted as an amendment to the original protocol.

The first meeting of the council was called by Lacayo on the evening of the 8th instant, and the amendment was opposed by the Nicaraguan delegates, and finally the meeting adjourned without having accomplished anything toward the creation of a provisional government. Another meeting was held yesterday, but resulted very much as the first one had.

The American delegates will not attempt the formation of a provisional government unless every element of the population has a fair representation.

On the other hand, I think it is the policy of the Nicaraguan delegates not to recognize any representation except the Nicaraguans and Americans. In that way they expect to control, inasmuch as three Nicaraguans can always outcount and outvote two Americans.

The attempt to establish a provisional government by agreement I believe will prove a failure, as the Nicaraguans do not seem to regard equal representation as being important or essential; whereas the American delegates will not recognize any other principle in the adjustment of the present affairs of Mosquito. The marines of the *Cleopatra* continue their occupation for the protection and preservation of life and property by request of the inhabitants. Almost the entire population, native and foreign, is now in active sympathy with British marines; because they fear that if Nicaragua should have exclusive dominion here it would subject them to the vengeance and spite of those holding official power. Captain Howe says he hopes to see an American man-of-war here soon to relieve him.

Hoping you are well,

I remain, etc.,

B. B. SEAT,  
*United States Consular Agent.*

[Inclosure 2 in No. 17.]

*Mr. Seat to Mr. Braida.*

UNITED STATES CONSULAR AGENCY,  
*Bluefields, Nicaragua, March 11, 1894.*

MY DEAR SIR: Since closing a dispatch forwarded to you this morning by the hands of Mr. William English, I have been called into a meeting of the American residents at the clubroom. The local complications are such that your presence is considered indispensable. They send a delegation on board the steamship *Yulu* to bring you to Bluefields. Permit me, in their behalf and on my own account, to respectfully urge you to comply with their wishes and return with them.

Hoping to see you on the return of the *Yulu*,

I remain, etc.,

B. B. SEAT,  
*United States Consular Agent.*

No. 18.

*Mr. Braida to Mr. Uhl.*

CONSULATE OF THE UNITED STATES,  
*San Juan del Norte, Bluefields, March 18, 1894.*

SIR: \* \* \* The agreement between Consul H. F. Bingham and Commissioner Lacayo would have made Lacayo actually governor of the reserve, which would have placed the reservation under Spanish rule, which the Americans under no circumstances would desire to see. Our delegates leave within two days for Washington.

MARCH 19, 1894.

The proposals heretofore submitted by Consul Bingham were resubmitted to-day. The Americans were asked to accept them on pain to have the police force withdrawn from the town to-morrow morning. The Americans answered as follows, to wit:

The American residents of Mosquito have, upon consultation, and with legal and consular advice, decided that under the present condition of affairs and existing circumstances they have no right to take part in the formation of a provisional government; that we would be placed in a position whereby we could be blamed for any wrongs committed, and in fact would not be responsible for same.

Inasmuch as Commissioner Lacayo is practically the dictator of the Government, we shall remain perfectly neutral and trust that such arrangements will be made as are not detrimental to our interests.

We are sending by first steamer a committee of Americans to Washington, D. C., to present the particulars of the situation to our home Government.

I have, etc.,

S. C. BRAIDA,  
*United States Consul.*

No. 19.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, March 20, 1894. (Received, April 14.)*

SIR: Complaint having been made to me by the Government of Nicaragua that Consul Braida has been actively in sympathy with the British armed occupancy of Bluefields, I deemed it my duty to send him the inclosed note of caution. I am persuaded that Mr. Braida has not departed from the just and conservative course which his official position demands of him, notwithstanding the provocation to retaliate for the insults offered him may have been great.

I am, etc.,

LEWIS BAKER.

[Inclosure in No. 19.]

*Mr. Baker to Mr. Braida.*

LEGATION OF THE UNITED STATES,  
*Managua, March 19, 1894.*

DEAR SIR: I have returned to you by the outgoing mails your recent telegrams. They were delayed in their transmission four days, and when received were so mutilated as to be unintelligible. I undertook to send several telegraph messages to you, all of which required answers.

I received no answers, and conclude that either the messages were not delivered, or if delivered were so mutilated as to be beyond recognition.

Complaint has been made to the President of this Republic, by Governor Rivas I presume, that the American consul is throwing his personal and official influence against Nicaragua in the Mosquito affair. I feel sure that you have a just appreciation of the dignity of your official position and of your duty as a representative of the United States, which require you to occupy a friendly position toward this Government, and that you have not departed from this path of duty. But since the statement has been made to me, in a second-hand way, from the public officials here, that you have allowed the insults offered you by the Nicaraguan official at Grey Town, Rivas, to influence you in your action in the Mosquito affairs, I deem it my duty to caution you against doing anything by word or deed which could properly be construed into unfriendliness to the Government of Nicaragua or to its claim of sovereign rights over that territory.

I will ask you to repeat to me by telegraph, on receipt of this, an unvarnished statement of the facts in the case.

I am, etc.,

LEWIS BAKER.

No. 20.

*Mr. Braida to Mr. Uhl.*

CONSULATE OF THE UNITED STATES,  
*Bluefields, March 22, 1894. (Received March 31.)*

SIR: I have the honor to transmit herewith copy of my dispatch to Hon. L. Baker, United States minister at Managua.

I beg to report that I shall stay here until the arrival of a United States war ship or other orders, considering lives and property of our citizens not at all secured.

I am, etc.,

S. C. BRAIDA,  
*United States Consul.*

[Inclosure in No. 20.]

*Mr. Braida to Mr. Baker.*

UNITED STATES CONSULATE,  
*Bluefields, March 21, 1894.*

SIR: On the afternoon of March 14 a meeting was held in the clubhouse by the Americans to tender to the captain commander of Her British Majesty's ship *Cleopatra* and to his officers and men their most sincere thanks for the maintenance of order and security.

The American residents then discussed and adopted a resolution to send a delegation to Washington, D. C., to state to the home Government the great importance of the political changes in the Mosquito Reservation, concerning their enterprises, commerce and traffic in general, as they considered their welfare endangered.

Consular Agent Mr. B. B. Seat and Mr. Sam. Weil, merchant, were unanimously elected, and Mr. George D. Emery, of Boston, Mass. (mahogany firm), will join the delegation at Washington.

Since that time all sorts of attempts have been made to induce us Americans to compromise ourselves to become a party in the suspicious

arrangements entered into between the British officials, Captain Commander Howe and Her British Majesty's Consul Bingham, with Commissioner Lacayo and General Cabezas to form a provisional government upon a basis which we considered un-American, unfair to the best interests of the inhabitants of the reservation at large, and expressly contrary to the Managua treaty of 1860, therefore relieving the English and Nicaraguan officials of all responsibility of the infraction of the treaty of Managua and the Clayton-Bulwer treaty (if there be an infraction) and throwing the responsibility upon our shoulders. We unanimously decided to decline all offers to participate in a provisional government under the condition offered us by the above-named agents of the two high contracting powers to the treaty of Managua.

Believing that Mosquito under Spanish rule means the utter ruin of all that American capital and energy has accomplished and built up here in such a wonderfully successful manner in the past few years. The experience we have had during the past year was tyranny, injustice, and oppression in the most outrageous forms. We suffered without being able to get the least satisfaction or redress.

The facts have decided our people here to make a last effort, in sending a delegation to Washington to explain the situation and to prove to the United States Government the need of immediate action. \* \* \*

Since Monday morning, March 19, another attempt has been made to form a provisional government, and notwithstanding the reiterated refusals of the Americans to take part in the proposed government, General Lacayo has taken it upon himself to make personal appointments to proposed provisional council, which appointments have in every instance been declined by both Americans and natives.

I beg to state that at this time the natives, creoles as well as Indians, have completely taken our standpoint and will under all circumstances go with us to maintain autonomy to Mosquito.

At 3.40 p. m. to-day, March 21, the river steamer *Hendy* arrived with 30 soldiers on board with their arms boxed. This was in direct violation to the agreement made in my presence on the 19th instant at 2 p. m. that Nicaragua would under no pretext bring soldiers, nor employ Nicaraguans in the police force. This created great excitement among the populace, and when I asked Mr. Bingham at the British consulate if this was not a breach of his agreement with General Lacayo, he intimated that he was powerless to act; after which I left him with the impression that the whole proceeding was but another intrigue, and tried to quiet the general excitement.

Later in the evening, at the request of several American citizens, I called on General Lacayo to find out what course he intended to pursue in regard to keeping order in the town.

During the course of conversation I suggested that he place the town in the hands of the Americans for the night, guaranteeing to keep peace and order on condition that General Lacayo would promise to keep his soldiers in their quarters. General Lacayo expressed himself very much pleased and entirely satisfied to have us do the police duty for the night. I left him, telling him I would call a meeting of Americans and lay the proposition before them. I called the meeting, in which also the natives, Germans, and others participated, and it was resolved to do the police duty for the night.

Myself, accompanied by a committee from the meeting, then called upon General Lacayo to inform him that we would take charge of the town for the night. He thanked us, but said that within the last two

hours circumstances had arisen which would compel him to take charge of the town himself with his soldiers.

This a. m., March 22, Her British Majesty's Consul Bingham left on the British Majesty's ship *Canada* for Grey Town.

I have received no dispatches whatever in a fortnight.

I am, etc.,

S. C. BRAIDA,  
*United States Consul.*

No. 21.

*Mr. Braida to Mr. Uhl.*

UNITED STATES CONSULATE,  
*San Juan del Norte, Bluefields, March 26, 1894.*

(Received April 11.)

SIR: Having been accused by some Nicaraguan officials to have taken a hostile attitude toward the Nicaragua Government since my arrival at Bluefields, I beg to transmit a copy of my dispatch<sup>1</sup> to Honorable L. Baker, United States minister at Managua, on that subject.

Furthermore, I beg to state that, having been without instructions, I have not "acted" at all, and have most conscientiously restricted myself to maintain order and peace, and to quiet the prevailing excitement during day and night. I was in duty bound not to make ourselves a party in the arrangement between Great Britain and Nicaragua, knowing that arrangements they were about to enter into would be detrimental to the best interests of the United States, and also against the most vital interests of our citizens residing and doing business in the Mosquito Reservation.

I have the honor, etc.,

S. C. BRAIDA,  
*United States Consul.*

No. 22.

*Mr. Gresham to Mr. Braida.*

[Telegram.]

WASHINGTON, *March 28, 1894.*

You are not authorized to perform diplomatic functions, and will not meddle in political affairs in Mosquito. Naval vessel will soon reach Bluefields.

No. 23.

*Mr. Bayard to Mr. Gresham.*

EMBASSY OF THE UNITED STATES,  
*London, March 29, 1894.* (Received April 9.)

SIR: I had the honor by my dispatch of the 16th instant, to communicate to you some remarks upon the status of the "Mosquito Reservation," in the territory of Nicaragua. Since then I have received from

<sup>1</sup> Not printed.

Lord Kimberley, on the 24th instant, a memorandum in relation to the incident of the landing of a British armed force at Bluefields, and inclose herewith a copy.

As I have before had the honor to state, the political status of these Mosquito Indians and the extent of their rights of local self-government are illy defined, and it is highly desirable for the interests of all concerned that the lines of lawful authority should be more distinctly established and agreed upon.

The theater of the events under consideration is remote, and the region is occupied by a population imperfectly civilized and scattered.

The most influential residents of Bluefields are traders, English and American, with some negroes from the Island of Jamaica, and information of a reliable and satisfactory nature is necessarily difficult to obtain. But it does not appear that the alleged intervention by the British armed force was for the maintenance of the rights of the Mosquito Indians against alleged Nicaraguan oppressors—but, rather, to protect other classes of residents, who are not mentioned in the treaty of Managua, of 1860, between Great Britain and Nicaragua, and are not parties to any stipulations, express or implied, by that convention.

At the close of the memorandum, now transmitted herewith, it is stated that interviews and arrangements for the purpose of restoring peace and order at Bluefields were between the British consuls and the Nicaraguan general, in which it was by and under Nicaraguan authority alone all the measures to restore and maintain peace were to be executed.

This arrangement, so far as it goes, implies a recognition of Nicaraguan sovereignty, and the subordination of Mosquito affairs to the (not unqualified) control of the former. I am informed that Nicaragua has paid in full the annuity of \$5,000 stipulated for ten years by the treaty of Managua, and I am disposed to believe that, by the exercise of moderation, discretion, and just humanity, Nicaragua can remove all vestige of pretext or reason for any foreign intervention for the settlement of questions of a social or political nature between herself and the Mosquito Indians, and that race and that class are the only individuals who have any recognition or standing under the terms of the treaty of Managua, which contained restrictions upon the sovereignty thereby ceded to Nicaragua by Great Britain.

It has been reported that Admiral Benham has been asked to visit Bluefields, and I hope it is true and that a reliable report of the condition of that region may thus be furnished.

Sir John Hopkins, the British admiral, is a man of the same stamp, and his account may be looked for with interest and respect by all parties.

As a possible contribution to knowledge of the locality and events in question, I inclose copies of a communication by a correspondent of the Times, of the 27th instant, which is, however, evidently colored by the views and prejudices of the writer in the interests of a Moravian mission.

The treaty rights of Nicaragua, under the convention of 1860, at Managua, must be interpreted by the then existing state of facts, and it will not be safe to interpolate additional restrictions upon the sovereignty of Nicaragua, as to subjects and interests not then existent and not even contemplated at that time.

The spiritual welfare of the Mosquito population was not, and is not, among the responsibilities with which Great Britain was charged or is chargeable.



Upon obtaining further information on the subject I will communicate it to you.

I have, etc.,

T. F. BAYARD.

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[Inclosure 1 in No. 23.]

*Memorandum handed to me March 24 by Lord Kimberley, personally, at the foreign office.*

The latest information respecting the state of affairs at Bluefields is contained in two telegrams from the admiral commanding the West Indies Station and the captain of the *Canada*, from Colon.

From these telegrams it appears that the captain of the *Cleopatra*, Captain Curzon-Howe, had, on the 5th of March, at the request of the consuls and the Nicaraguan commissioner, landed 100 men at Bluefields for the protection of life and property; that this detachment had, on the 16th of March, been replaced by a detachment from the *Canada* (Captain Wilson), the *Cleopatra* being under orders to proceed to Newfoundland. The men were reembarked on the 20th, the Nicaraguan commissioner at Bluefields having undertaken to form a provisional government.

It is not known what was the exact nature of the disturbances which led to the landing of the men from the British ships, but on the 17th of March Her Majesty's minister at Guatemala had telegraphed that disturbances had occurred at Bluefields, and that there had been serious loss of life and property.

The information which had been previously sent by Mr. Gosling, and which was received on the 4th of March, was that the Nicaraguan authorities had, on the 12th of February, overthrown the Government of the Mosquito Reserve, and had proclaimed Nicaraguan authority; that Her Majesty's consul had telegraphed to Jamaica for a ship of war.

On dispatching H. M. S. *Cleopatra* to Grey Town and the coast of the Mosquito Reserve, Admiral Hopkins gave orders to the captain that his stay in those waters should not be longer than he might consider necessary (after consultation with the local representatives of the British Government) for the protection of British interests and subjects. The same orders were given to the captain of the *Canada*, which relieved the *Cleopatra*.

The *Cleopatra* arrived at Grey Town on the 22d of February, and there her captain learned that early in the month 126 Nicaraguan soldiers had arrived and had proceeded to Bluefields, of which they took possession during the night of the 12th, martial law and a state of siege being declared, and all the Mosquitian officials being deposed and the Nicaraguan flag being hoisted.

The *Cleopatra* took on board Her Majesty's consul, and arrived at Bluefields on the 25th of February. The captain and the consul had interviews with the Nicaraguan commissioner and the general in command of the Nicaraguan troops. The result of these interviews was that the general undertook (1) to raise the state of martial law, (2) to hoist the Mosquito flag alongside the flag of Nicaragua, (3) to form a council, (4) to organize a civil police, (5) to send away a portion of his troops.

The *Cleopatra* left on the 27th of February for Colon, to coal, leaving some armed boats in sight of Bluefields, to which place she subsequently returned to await the arrival of the *Canada* to relieve her.

[Inclosure 2 in No. 23—From the Times, Tuesday, March 27, 1894.]

*The Nicaraguan attack on Bluefields.*

[From a correspondent.]

BLUEFIELDS, *February 22.*

Allow me to draw the attention of your readers to an act of aggression on the part of Nicaragua. She violently took possession of the Mosquito Reservation on the morning of the 12th instant, invading its capital, the town of Bluefields, with an armed force of soldiers when all its inhabitants were fast asleep, breaking open the Government buildings, and placing them under a strong guard, temporarily arresting those who might have escaped to raise an alarm, forcing open the gaols and letting loose all the prisoners, hoisting her flag on the Mosquito flagstaff, and declaring the natives Nicaraguan citizens. By these measures the Nicaraguans have deprived the chief, Robert Henry Clarence, of his authority as president of the council, dismissed the members of that body, removed the judges of the supreme court, the magistrates, and every government official in the service of his excellency the chief. They have also appropriated moneys, and roughly handled a British subject, the custom-house collector, to obtain the keys of the safe. Up to the present date we have been under martial law, which was proclaimed on the 12th instant.

In this way Nicaragua has used force and intimidation to deprive the Mosquitos of their rights. She has also offered bribes to many influential persons to agree and consent to this when the final settlement comes. The natives are opposed to any closer relation with Nicaragua, with whom they have no sympathy, their customs, manners, and character being so much at variance. The Mosquitos have a great liking for England; they were happy and contented while under her protectorate from the latter part of the seventeenth century to 1860, and a pang went through the whole of the tribes when the best part of their territory was handed over to Honduras and Nicaragua. However, they were pacified by having a portion set apart for their use and at being free to govern themselves without any interference from the supreme Government; and they implicitly believed that England would see that all the stipulations of the treaty of Managua made between Her Britannic Majesty and the Republic of Nicaragua in 1860 were carried out. So far they have done their best to comply with all the stipulations of this treaty, and have respected the rights of the sovereign power. They have borne patiently the encroachments and oppression of Nicaragua for many years past, protesting and reporting to the foreign office from time to time as they occurred; but, for some reason or other, no satisfaction was ever obtained. For the last ten years the commercial development of this country has made rapid strides. Foreign capitalists, especially American, have established the banana trade, which is now very extensive; other investments have also been made in connection with the natural products of the country according to the laws of the Mosquito Government, and if this radical and sudden change is to have effect, concessions, grants, leases of lands, and Government obligations will have to be taken into consideration and regulated accordingly, all having been done upon the strength of the treaty.

The Nicaraguans have long looked with a jealous eye upon the revenues and harbor advantages of this country, never failing to encroach where they saw a chance, and holding on tenaciously in spite of all remonstrances and opposition. They obtained a footing at Rama City,

situated at the mouth of the Rama and Siquia rivers, tributaries of the Escondido or Bluefields River, a few miles east of the western boundary, and they invited their wealthy men to come there from the interior, granted them lands in the vicinity, irrespective of claims or leases issued by the Mosquito Government, built a quartel for the soldiers, appointed a governor, and extracted dues and revenues from the people. Then they began to watch a large mahogany company who are cutting valuable woods, and wherever a chance could be seen declared the works to be in Nicaragua, thus obtaining the extraction dues. Another instance of encroachment was the establishment of a military station and governor on the Rio Grande or Great River, about 15 miles due east of the western boundary. The next step was to strip the reserve of its islands and bays, which the natives possessed for fishing and growing cocoanuts long before the treaty of Managua was ever thought of. Several other encroachments have been reported to the foreign office, the last and most serious being the forcible occupation of Bluefields, the capital of the reservation, and other towns on the coast.

The Mosquito constitution and code of laws are well adapted to both natives and foreigners, and the Government is liberal. The Administration had many defects, and must change gradually to suit existing circumstances as commerce and civilization advances; but this does not concern Nicaragua, who has "no control" over the governing powers within the limits of the reserve. Now that these unwarrantable proceedings have taken place, we should like to know definitely how this country stands, and what step England will take. A British man-of-war was sent for by Her Majesty's consul at Grey Town some time back, but up to date it has not arrived.

I may here give an account of the beginning of this serious trouble. General Carlos A. Lacayo, the appointed commissioner to the reserve from Nicaragua, arrived here with a staff of officers on November 2, 1893, seemingly on a secret mission to annex the country. He erected immense buildings to serve as quartel offices and dwelling-house. Building a wharf out into the lagoon, he compelled all ships going up the river to take a pass from him here. He imposed a heavy duty on bananas, principally coming out of the reserve. From the first the natives had their suspicions as to his intentions, and murmurs of disapproval increased day by day. The chief and his council had their attention drawn to the matter, and they also began to look upon it with alarm. To favor the secret scheme there was the war between Honduras and Nicaragua.

About 200 soldiers came from Grey Town, without any notification to the chief, to be shipped to Truxillo. During their eight days' sojourn in Bluefields, on board the steamer *Mabel Comeaux*, the anxiety of the people was raised to an alarming extent, but upon the advice of the chief and his Government they did not do anything which might have helped to bring about the incorporation which they mortally dread. The soldiers left here for Cape Gracias a Dios, with an addition of volunteers consisting of Honduras rebels and many others of doubtful character. Other troops, sent for specially by the commissioner, arrived on the steamship *Miranda*, and were landed by small boats. When the chief again heard of the arrival of troops he immediately invited the commissioner to the Government house and put forward several important questions, one of which was whether he still respected the treaty of Managua and the award by the Emperor of Austria. To these questions he received very evasive answers. His Excellency then protested against the soldiers walking about the streets armed, it being quite

unnecessary and against the laws of the municipal government. This appears to have given great offense. No doubt the incident was misrepresented to the Nicaraguan Government, and the commissioner received secret instructions to take the bold step spoken of at once. If the chief had been courteously notified at the very first of the expected arrival of the troops and of their object, he would have used his best endeavors to accommodate and facilitate their movements to the frontier while hostilities between Honduras and Nicaragua were pending.

General Carlos A. Lacayo and General Rigoberto Cabezas have now taken over the whole management of affairs in the country, and have already filled up the several offices for the collection of dues and taxes, etc., by an entirely new staff. For these places there was no lack of applicants, principally foreigners, who rushed into the scramble for the plums of office. The generals are about to form a new code of laws, to govern according to the constitution of Nicaragua, and to get everything in working order before there is any investigation by Her Britannic Majesty's Government.

Business is almost at a standstill, and many people have closed their houses and taken refuge in the bush and up the rivers. Terror prevails where a few months ago all felt secure and happy. To add to this chaotic state of affairs, another revolution has broken out in the interior.

I also earnestly wish to call the special attention of England to the Moravian mission churches and schools that have been so long established in the country and supported in every way by the Mosquito Government, who gave annually a handsome donation from the treasury toward their support. This institution, which stands alone, has done much noble work among the Indians in educating them both spiritually and morally, and so bringing them gradually to a state of civilization. What is to become of them in a country where Protestantism is merely tolerated and the Sabbath only observed as a holiday, with drinking, gambling, bullfights, heavy betting around a cockpit, and reveling and fighting in the streets? Is this little Territory, that was at peace with the whole world, to be brought within the jurisdiction of a country that is always in a state of revolution and turmoil? Are all the enterprises that were built upon the existence of the treaty to diminish and gradually die out? A great deal of pressure will be brought to bear in many ways upon the merchants and residents that will compel them to quit, and so make room for the Spaniards to come in and fill up the vacancy.

Having laid before your readers the true facts of our present situation, I would advise England for the sake of her honor to take immediate steps to relieve a people from a future serfdom, and a prosperous little country from ruin, by a thorough investigation of all the wrongs this country has suffered, and insist upon the whole of the treaty of Managua and the award by the Emperor of Austria being carried out faithfully by Nicaragua. Even for diplomatic reasons she should not relax her hold in this little spot of Central America, which eventually she may need. Her Britannic Majesty's pro-vice-consul and the United States consular agent are doing their very best, in the interests of the people they represent, with the limited powers they have at their disposal.

FEBRUARY 25.

Early this morning Her Majesty's ship *Cleopatra* arrived from Grey Town with Mr. H. F. Bingham, the British consul, on board. Capt. Assheton G. Curzon-Howe, R. N., accompanied by his secretary, came

ashore with important dispatches to the Nicaraguan commissioner. Mr. E. D. Hatch, Her Britannic Majesty's pro-vice-consul, introduced the officers to Gen. Carlos A. Lacayo. On their return to the British vice-consulate, accompanied by a peaceable crowd, the Nicaraguan soldiers rushed down, shouting "Viva Nicaragua!" to disperse them with loaded revolvers and rifles, for the martial law forbids an assemblage of persons either walking or standing about. Fortunately an officer saw the danger that might arise, and stopped it just in time.

FEBRUARY 26.

A meeting of investigation was held on shore to-day, Capt. A. G. C. Howe, R. N., and Mr. H. F. Bingham, British consul, representing Her Britannic Majesty, and Gen. Carlos A. Lacayo, the commissioner, representing the Republic of Nicaragua. The British representatives demanded that the Mosquito flag should be hoisted again, that martial law should be raised within a certain time, and that a written guarantee should be given for the lives of the chief and his late officials, but none of them to be replaced in office at present. The commissioner's plea that Mosquito was being misgoverned wholly by Jamaica negroes is entirely unfounded, and in any case it is of no concern to Nicaragua. The chief, whose life was threatened, has been in hiding since, but arrived here late this evening, and is now under the charge of the British consul. He is just 21 years of age.

FEBRUARY 27.

All is quiet in town. Gen. C. A. Lacayo returned the official visit to Captain Howe on board the *Cleopatra* to-day. It is rumored he has telegraphed for further instructions to his Government. Her Majesty's ship *Cleopatra*, after landing fifty marines and two Gatling guns at the Bluff for the protection of the inhabitants against any disturbance, left for Colon or Jamaica this evening to cable for further instructions from the foreign office, and is expected to return in about four days.

FEBRUARY 28.

The Mosquito flag was hoisted by the side of the Nicaraguan flag this morning. All seems quiet, but everything is at a standstill till the matter is settled. Many Indians, with their headmen, from the upper part of the coast are arriving here every day. Before this the Mosquito Government used to look after their accommodation and comfort, but now, as there are no buildings or funds, they will either have to be entertained by the Nicaraguan officials or depend upon the generosity of their friends.

As Her Majesty's ship *Cleopatra* has been here and taken the business in hand, our misgiving as to England's moving in the matter is at an end.

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No. 24.

*Mr. Braida to Mr. Uhl.*

CONSULATE OF THE UNITED STATES,  
*Bluefields, March 29, 1894. (Received April 11.)*

SIR: I have the honor to transmit herewith a decree issued last night and sent to me by the Honorable Minister Don José Madriz.

I beg to remain, etc.,

S. C. BRAIDA.

[Postscript.]

BLUEFIELDS, March 31, 1894.

I beg to add to my dispatch of the 29th instant a statement from the American citizens in answer to a written request from Minister Don José Madriz regarding complaints and wishes of our citizens, copy of which was forwarded to said minister yesterday.

[Inclosure 1 in No. 24.]

*Decree.**Citizens of Bluefields:*

Having been sent here by the supreme Government for the purpose of arranging, on the basis of justice, all difficulties which have lately occurred in the reserve, I have, in compliance with the authority vested in me, issued the following decree. This decree shows distinctly that the views and aim of my Government are but to give and guarantee to the honest and laborious people of the reserve peace and prosperity. It was with pleasure that I accepted a mission that would again bring me among old acquaintances, enabling me to offer, in the name of Nicaragua, peace and liberty; and if you are, as I sincerely hope, satisfied, my object will have been accomplished. I desire for the inhabitants of the reserve every prosperity, and this I am sure they will obtain under the laws which my decree of to-day establishes, in which are included the strongest guarantees and the highest privileges.

JOSÉ MADRIZ.

José Madriz, special commissioner of the supreme Government of Nicaragua in the *Mosquito Reserve*;

Considering that on the 19th instant the commissioner of the Republic agreed with Her Britannic Majesty's consul upon a *provisional* contract for the government of the Mosquito Reserve until the high contracting signators, parties to the treaty of Managua, dated 1860, arrange the needful regarding the reserve territory;

Considering that this contract was imposed by the circumstances and decided by the necessity of preventing the disputes arisen, caused from the *decree* dated the 12th of February last;

Considering that the present condition of affairs being investigated, any substantial change that would be made to the said contract would cause new stir and difficulties, which the commissioner is bound to avoid; and having only in view to grant all those guaranties, lead to establish the public confidence, to regulate the trade, and secure the order and peace, in use of his powers:

*Decree.*

ART. 1. The municipal authority of the Mosquito Reserve shall be exercised by the council formed according to the protocol of provisional contract entered into between the Nicaraguan commissioner and Her Britannic Majesty's consul.

ART. 2. The powers of the provisional council are the same exercised by the old executive council, subject to what is directed in Article XIII of the present decree.

ART. 3. The provisional council shall regard and guarantee to all the inhabitants of the reserve, either Nicaraguans or foreigners, the personal safety, the liberty, the equality, and the property in the established form provided by the laws of the same.

ART. 4. No authority of the reserve shall issue contrary resolutions to the established worship, and the laws, usage, and customs as regard religion shall be strictly respected.

ART. 5. No military recruitment shall be made within the Mosquito Reserve, and all residents in the same remain free from all service or war tax.

ART. 6. The police security shall not be exercised by military force.

ART. 7. The former language shall be maintained by the authorities and people of the reserve.

ART. 8. The provisional council shall proceed at the earliest possible time to settle the public debts of the reserve.

ART. 9. The treasurer, under his own responsibility, will not pay any amount which is not previously voted by the provisional council.

ART. 10. The treaty of commercial reciprocity between the Republic of Nicaragua and the United States shall henceforth be considered extensive to the custom-houses of the reserve.

ART. 11. The commissioner, in his representative capacity of the sovereign authority of the Republic, shall previously examine the resolutions issued in future by the provisional council, with the sole purpose of deciding whether they are consistent with the essential laws of Nicaragua.

ART. 12. All resolutions issued by the sovereign power shall be faithfully executed within the reserve, and the Nicaraguan authorities shall take care that such resolutions do not contain anything contrary to the municipal privileges.

ART. 13. The former laws of the reserve, whether civil or penal, shall remain in force, inasmuch as they shall not oppose the stipulations of the said contract and the sovereign rights of Nicaragua.

Given in Bluefields this 28th day of March, A. D. 1894.

JOSÉ MADRIZ.

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[Inclosure 2 in No. 24.]

*Statement of committee—American citizens.*

To the AMERICAN CONSUL, *Bluefields*.

HONORABLE SIR: Whereas we, the American citizens resident here, have been requested by your honor to put forth our wishes, desires, and grievances in reference to the unsettled condition of affairs in the Mosquito Reservation, by these presents do respectfully call your attention to the following facts:

We have come here under the guaranties and liberal privileges extended to us by the treaty of Managua of 1860, and have consequently invested our capital, intelligence, and labor, which is now jeopardized by the events which have happened since the 12th of February.

On that date Nicaraguan troops, under the command of the Nicaraguan commissioner and the newly appointed inspector-general of the Atlantic coast of Nicaragua, took possession of the town and reservation, deposed the authorities, and put the place under martial law, when there had not been nor was any resistance at all offered to them.

Once the authorities removed, they took possession of all public buildings and property of the Mosquito Government, and, opening the prison doors, set free the felons therein upon the community.

The soldiers were undisciplined and fanatic, and could not be controlled by their officers, and committed various outrages.

The inhabitants were nigh driven to desperation and a condition ensued which endangered life and property.

The commissioner, although immediately setting about the collection and imposition of duties and taxes, refused on the other hand to recognize the valid obligations of the Mosquito Government.

He remarked that he would just run things to suit himself, and if people did not like it they could leave the country.

Again, he threatened to take lands owned by the natives and sell it.

Miners holding titles to their claims under and from the Mosquito Government were warned by him that their grants would not be recognized, and, in fact, he expressed himself to the effect that likely all the leases, titles, contracts, and concessions would be void and not recognized by his government.

The commissioner has deceived the people so frequently that they have lost all confidence in him.

This menacing conduct and threats frightened the natives until nearly 150 families have left the reserve.

The labor of the country is composed of such people as have thus gone away, which is likewise ruinous to the commerce of the port.

It has also been made imminent that a change of the language would be enforced, and this would work a great hardship on everyone.

The duties and export tax which the commissioner placed on fruit can not be considered but to the detriment of the fruit trade, the leading industry of the country.

Neither can we judge it judicious that small crafts plying between local ports are compelled to take out papers at exorbitant rates.

Duties have been charged on goods taken to other points in the reserve, when said goods had already paid duties in Bluefields.

In Rama the treatment of Americans has been such that we feel assured, should Nicaragua govern the reserve, we would receive the same treatment.

The fruit business in Rama has been seriously hampered by the petty decrees of her governors, and the continued detention of steamers, barges, etc., loaded with fruit have caused heavy losses to the ship agents.

Captains of steamers and barges have been heavily fined for passing the custom-house at Rama after having asked permission, which was refused, and having leaky barges, they would have lost barge loads of fruit by the next morning.

We also particularly denounce the foul murder of William Wilson in Rama, and demand that his assassin be punished as this crime deserves.

We are not devoid of experience; the wretched state of Grey Town, San Jacinto, and Cape Gracias a Dios is a mark of warning, and while we are peaceful and law-abiding citizens in this community, and do not wish to antagonize Nicaragua, and with all due deference to her sovereign rights, we desire to have here a local self-government (free from the frequent revolutions which occur in the interior) based on the lines laid down by the treaty of Managua.

SAM. D. SPELLMAN,  
JAS. H. LAMPTON,  
PAUL OSTERHOUT,  
W. F. THORNTON,  
H. R. SEIGERT,

*Committee.*

MARCH 29, 1894.

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No. 25.

*Mr. Braida to Mr. Uhl.*

CONSULATE OF THE UNITED STATES,  
*Bluefields, March 31, 1894. (Received April 11.)*

SIR: I beg to inclose herewith correspondence with the British vice-consul in regard to the formation of a provisional Government for the Mosquito Reserve, and my note to Gen. C. A. Lacayo in reference to the same.

I am, etc.,

S. C. BRAIDA.



[Inclosure 1 in No. 25.]

*Mr. Hatch to Mr. Braida.*

BRITISH VICE-CONSULATE,  
*Bluefields, Mosquito Reserve, Nicaragua, March 31, 1894.*

YOUR EXCELLENCY: In answer to your dispatch of to-day's date I beg leave to state that in my opinion the Provisional Government has been formed in accordance with protocol of 19th instant (see this protocol, marked Basis, in inclosure in No. 32), made between His Excellency Carlos A. Lacayo, commissioner to the Mosquito Reserve, and Her Britannic Majesty's Consul H. F. Bingham, esq.

I have, etc.,

EDWIN D. HATCH,  
*Acting Vice-Consul.*

[Inclosure 2 in No. 25.]

*Mr. Braida to General Lacayo.*

SIR: Since the receipt of your communication of the 24th instant in regard to a provisional council having been established, I have repeatedly requested the representative of the other high contracting party, Vice-Consul E. Hatch, to inform me whether this council was formed in compliance with the compact made between your excellency and Her Britannic Majesty's Consul Bingham.

Having been informed by Vice-Consul Hatch this morning that he, in behalf of his Government, considers said council formed according to the agreement, I have the honor of thanking you for your kind information.

I am, etc.,

S. C. BRAIDA.

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No. 26.

*Mr. Gresham to Mr. Baker.*

[Telegram.]

WASHINGTON, *March 31, 1894.*

Time Department had full report of situation Bluefields. Braida instructed he had no diplomatic functions.

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No. 27.

*Mr. Baker to Mr. Gresham.*

[Telegram.]

LEGATION OF THE UNITED STATES,  
*Managua. (Received April 1, 1894.)*

With telegraph down and low water in river, communication with Bluefields uncertain and almost impossible. Government here without late advices. Braida went to Bluefields to report facts of situation. Have heard nothing from him. British brought Nicaragua soldiers

away and disarmed them. By agreement mixed commission of seven governs temporarily. American merchants dissatisfied. British troops on ship. Nicaragua withdrawn exequatur from Braida. Important you send judicious successor immediately.

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No. 28.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE,  
Washington, April 2, 1894.

SIR: I have received your two dispatches of the 9th ultimo, relative to the disturbances at the Mosquito Reservation, stating that this Government has not failed to take the action which appeared proper to the end of protecting American interests there,

I am, etc.,

W. Q. GRESHAM.

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No. 29.

*Mr. Baker to Mr. Gresham.*

[Telegram.]

LEGATION OF THE UNITED STATES,  
Managua, April 6, 1894.

Have no report from Braida yet. British Consul Bingham reports, date March 24, owing to disturbances Bluefields, British seamen were landed at request of Nicaraguan commissioner. Captain sent the United States vice-consul and other consular representatives to maintain order and preserve life and property. Were retired as soon as Nicaraguan commissioner formed police force. American residents presented captain with testimonial thanking him for prompt and effective protection. Nicaraguan commissioner also wrote letter of thanks. All reports to contrary are false.

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No. 30.

*Mr. Baker to Mr. Gresham.*

[Telegram.]

LEGATION OF THE UNITED STATES,  
Managua, April 9, 1894.

One hundred Nicaragua troops leave here to-morrow for Bluefields to perform police duty.

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No. 31.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
Managua, April 10, 1894. (Received May 15.)

SIR: I cabled you the news of the shooting of a Mr. Wilson, an American, by the Nicaraguan military governor at Bluefields. I had

received no particulars. I called upon the authorities here for an explanation, and I inclose the response of the Government.

I have, etc.,

LEWIS BAKER.

[Inclosure 1 in No. 31.—Translation.]

*Mr. Rivas to Mr. Baker.*

NATIONAL PALACE,  
Managua, April 3, 1894.

MR. MINISTER: The Minister of the Interior has addressed himself to this secretaryship informing it that the commissioner of the Mosquito Reservation has given him notice that on the 20th of last March, about 10 o'clock in the evening, Mr. Norberto Argüello, police inspector, temporarily in charge of the Government, seriously wounded the American citizen William Wilson.

In bringing to the knowledge of Your Excellency this deplorable incident, of which my Government has not, as yet, any details, it is my duty to manifest to Your Excellency that Mr. Argüello was immediately deposed, and that the commissioner appointed Col. Luis Cartin in his place, who will carry on the legal prosecution so that the culprit may be punished.

The Government on its part, desirous that full justice be administered in the affair, has sent, through the honorable minister of the interior, telegrams to San Juan del Norte and Bluefields, of which I inclose to Your Excellency an authorized copy.

I will not close this communication without deploring what has come to pass, and without manifesting that, as soon as the Government receives information which it has called for, I will again address myself to Your Excellency.

I am, etc.,

R. MAYORGA RIVAS.

[Inclosure 2 in No. 31.—Translation.]

APRIL 2, 1894.

MR. COMMISSIONER OF THE RESERVE,  
*San Juan del Norte :*

Recommended to the governor and comptroller.

With much regret the executive has been informed of your telegram, dated the 31st of last month, in which you give an account of the wound inflicted on the American citizen, Wilson, by the temporary governor, Argüello.

The Government trusts that the courts of justice of San Juan del Norte will know how to fulfill their duty by investigating the aforesaid act and punishing the offender.

The Government does not approve of the practice which has been observed on the coast of withdrawing the high functionaries to send them on commissions; much less if these are substituted by employees of inferior category, who may not possess all the qualities which those dignitaries require.

The President trusts that, owing to the lamentable accident to Wilson, the cordial relations which Nicaragua happily cultivates with the United States of America may not be impaired. He hopes that the superior authorities of the littoral will see that complete justice be done

in the trial of the deed against Wilson, and that in the future they may know how to avoid, with prudence and caution, occurrences of this nature.

The Minister of the Interior by the law,

MATUS.

This is a true copy. Managua, April 3, 1894.

M. C. MATUS.

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[Inclosure 3 in No. 31.—Translation.]

APRIL 2, 1894.

GOVERNOR AND COMPTROLLER,  
*San Juan del Norte :*

With grief the executive power has been informed of the dangerous wound inflicted on Mr. Wilson by an officer of that port, and through me, commands that you make the courts proceed with all possible energy and activity in the repression of that crime.

The Minister of the Interior by the law,

MATUS.

This is a true copy. Managua, April 2, 1894.

M. C. MATUS.

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No. 32.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, April 10, 1894. (Received May 15.)*

SIR: Herewith I hand you a copy of the agreement entered into at Bluefields on the 19th of March for the temporary government and the preservation of the peace of that place. The Spanish copy of this agreement was furnished me by the foreign office of Nicaragua, and I accompany it with an English translation.

I have, etc.,

LEWIS BAKER.

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[Inclosure in No. 32.—Translation.]

*Mr. Rivas to Mr. Baker.*

NATIONAL PALACE,  
*Managua, April 2, 1894.*

MR. MINISTER: With the present communication I have the honor to remit to Your Excellency an authorized copy of the telegram directed to His Excellency the President, by the commissioner of the Mosquito Reserve, enunciating the basis stipulated with the English consul for the provisional administration of the said reserve.

I am, etc.,

S. Ex. 1—19

R. MAYORGA RIVAS.

*Basis for the provisional administration of the reserve.*

[Telegram.]

Deposited at San Juan del Norte at 6 p. m. of the 23d of April, 1894. Received at the palace at 8.25 of the 30th.

BLUEFIELDS, *March 22, 1894.*

MR. PRESIDENT: The 19th instant another arrangement was concluded with the English consul by which all differences will be repaired for the better organization of the provisional government of this municipality.

Basis for the provisional administration of the Mosquito Reserve until the high contracting powers resolve the diplomatic question that has been raised.

First. There will be a civic municipality, composed of seven members, of which two will be appointed by the commissioner, two by the American consul, and one by the English consul, and another by the Indians, and another by the creoles. The commissioner will be the president of the council, and in case that those who shall be appointed by the said members of the council do not proceed forthwith to the appointment, the commissioner is at liberty to select those that he may deem proper.

Second. All the citizens of Bluefields, registered, of more than 21 years of age, will be jury liable for duty in criminal cases; and of these same citizens a list of fifty members will be drawn with the object of forming a jury of appeal for civil cases. These fifty members must be persons of property who know how to read and write, and with residence of more than three years in the place. There will be a justice of the peace to prepare the civil cases and bring them to the knowledge of the jury.

Third. Four of the seven members of the provisional council will form a quorum.

Fourth. The custom-house officer, the secretary of the provisional council, and all the rest of the employees of the reserve will be appointed by the commissioner.

Fifth. The tariff and duties will be levied on the same footing as the old tariff of the civic municipality. The product, or what may be the same, the money collected, will be delivered to the treasurer, who will pay the disbursement only on the order of the commissioner; but the net product of the rents can only be used in the proper expenses of the reserve or in the improving of the public works, such as ways of communications, etc.

Sixth. In the villages, and in behalf of the Indians, there will be a judge elected by the same Indians and he will be their representative before the provisional council and before the commissioner.

Seventh. The police force will be appointed by the provisional council. The chief of the police will be appointed by the same council, subject to the approbation of the commissioner.

Eight. The council will meet directly, and the police will be organized within the twenty-four hours after the installation of the provisional council.

Ninth. When the commissioner does not deem it convenient to preside, the council will appoint the person that shall replace him.

C. A. LACAYO.

It is confirmed. Managua, April 2, 1894. Seal of the foreign office. Attested.

MAYORGA RIVAS.

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No. 33.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, April 10, 1894. (Received May 15.)*

SIR: In a talk, yesterday, with the President of Nicaragua, he informed me that this Government proposed sending to Bluefields a body of 100 soldiers to be stationed at that place for the performance of police duty. His contention is that Nicaragua is charged with the duty of preserving the peace; and that this Government is responsible if life or property should be destroyed. This duty carries with it the right to take the necessary steps for the protection of life and property.

In the same conversation he requested me to inform the United States consul at San Juan del Norte and also the consular agent at Bluefields of his purpose.

I did not discuss with the President the soundness of his position in view of the various treaties; or the unusual political relations which this Government occupies toward that territory. But I concluded to send the letters requested, a copy of which is herein inclosed.

I have the honor, etc.,

LEWIS BAKER.

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[Inclosure in No. 33.]

*Mr. Baker to Dr. de Soto.*

LEGATION OF THE UNITED STATES,  
Managua, April 10, 1894.

SIR: At the request of His Excellency, President Zelaya, I write to inform you that this Government has determined it best, in the interest of peace and good order, to station a company of 100 soldiers at Bluefields. They will accordingly leave for that place to-day.

I do not see that you are called upon to take any action in the premises, and I send you this notice only for your information.

I am, etc.,

LEWIS BAKER.

Identical note sent to B. B. Seat, esq., United States consular agent, Bluefields, Nicaragua.

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No. 34.

*Mr. Gresham to Mr. Baker.*

[Telegram.]

DEPARTMENT OF STATE,  
Washington, April 17, 1894.

Your failure to send full information in regard to Bluefields incident has been embarrassing here. You should go there at once. No officer of this Government was authorized to participate with Nicaraguan authorities and British consul in organizing provisional administration.

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No. 35.

*Mr. Herbert to Mr. Gresham.*

NAVY DEPARTMENT,  
Washington, April 21, 1894.

SIR: I have the honor to transmit herewith for your information a copy of a cablegram received on yesterday from the commanding officer of the U. S. S. *San Francisco*.

Very respectfully, etc.,

H. A. HERBERT.

S. Ex. 20—4

[Inclosure in No. 35.]

*Captain Watson to Mr. Herbert.*

[Cablegram.]

LIMON, *April 19, 1894.*

First British landing at bluff justifiable; the consent of Nicaragua commissioners previously obtained. No claim of any right to land made by the British commanding officer. Landing at Bluefields on March 6 obligatory and believed to be necessary for the protection of life and property; the situation then critical; action of Nicaragua commissioners indicate they thought it so. Commissioners joined in sending written request to lieutenant British force at bluff to bring his force immediately to the town to prevent riot and bloodshed and in order to protect life and property. No British force on shore subsequent to March 20. Nicaragua in complete possession of Mosquito Reservation. Residents orderly but uneasy; dread the destruction of business. Uprising threatened should armed Nicaragua troops enter town; such entry unlikely. There is a strong feeling against Nicaragua; Indians of reservation mistrustful. No man-of-war at Bluefields when the *San Francisco* left; one needed during present uneasiness. Full report should leave Bluefields on April 18. Await additional instructions here.

No. 36.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE.

*Washington, April 26, 1894.*

SIR: In yours of March 20, you report the complaint made to you by the Government of Nicaragua that Mr. Braida, the United States consul at San Juan del Norte, has been in active sympathy with the British armed occupancy of Bluefields.

The Department approves your letter to Mr. Braida of March 19, calling for a statement of his action and especially commends the following passage of that letter.

I deem it my duty to caution you against doing anything by word or deed which could properly be construed into unfriendliness to the Government of Nicaragua, or to its claim of sovereign rights over that territory [the Mosquito Reservation].

Your later telegram of April 1 reported that the Nicaraguan Government had withdrawn Mr. Braida's exequatur.

In a dispatch dated March 26, reporting his correspondence with you, on the subject, Mr. Braida says:

Furthermore, I beg to state that, having been without instructions, I have not "acted" at all, and have most conscientiously restricted myself to maintain order and peace and to quiet the prevailing excitement during day and night. I was in duty bound not to make ourselves a party in the arrangement between Great Britain and Nicaragua, knowing that [the] arrangements they were about to enter into would be detrimental to the best interests of the United States and also against the most vital interests of our citizens residing and doing business in the Mosquito Reservation.

In his letter to you of March 26, Mr. Braida disclaims any action inimical to Nicaragua.

It is proper that you should, upon receipt of this instruction, if you have not already done so, invite from the Government of Nicaragua a full statement of the grounds upon which it has withdrawn the ex-

quatur of Mr. Braidá. It is desirable that this Department's appreciation of Nicaraguan action in this regard should not rest upon mere inference.

I am, etc.,

W. Q. GRESHAM.

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No. 37.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE,  
Washington, April 26, 1894.

LEWIS BAKER, Esq.,  
*Managua [now at Bluefields].*

SIR: It is desired that you take advantage of your visit to Bluefields to investigate the killing of William Wilson, a citizen of the United States, by the Nicaraguan governor of Rama, on March 22, and secure, if possible, the arrest and trial of his slayer.

From Mr. Braidá's dispatches it appears that Wilson was a drayman in the employ of Messrs. Brown & Harris, at Rama, and slept above their shop to protect their property. About 10.30 p. m., on March 22, an attempt was made by several persons, among them a policeman, to arrest a drunken man on Brown & Harris's doorstep. Wilson came downstairs in his night shirt, and seeing the scufflers at his door ordered them away, pushing the policeman off the doorstep. The Nicaraguan governor of the city, Don Norberto Argüello, attracted to the spot by the tumult, drew his revolver and shot Wilson in the back as he was retreating up the stairs. He fell, mortally wounded, whereupon a policeman (an American negro, named Charles Noyles) attempted to shoot him after he was down, but was prevented by a bystander. Noyles was arrested.

The governor ordered the wounded man to be taken to the barracks. A resident physician, Dr. A. L. Chapman, was summoned by Wilson's friends, and asked permission to send a boat to Bluefields for another doctor. The governor refused to allow this. Wilson died at 6.45 the next morning, about eight hours after being shot.

Mr. Braidá, on learning these facts, applied on the 25th ultimo to Señor Madriz, who had just arrived at Bluefields as the special commissioner of Nicaragua, and asked that Argüello be arrested. Señor Madriz promised to send General Cabezas to Rama to deal with the matter.

It appears that Argüello was not arrested, but made his escape a few days later, with the connivance, it is asserted, of the local police. Some policemen were arrested for assisting his escape, but were subsequently released. The policeman Noyles, who had attempted to dispatch Wilson after the governor had shot him, was at last accounts under surveillance.

This incident, which has naturally produced a most painful impression, calls for prompt and energetic action on the part of the authorities to secure the apprehension and trial of Argüello. You will express the President's earnest hope that full justice shall be done.

I am, etc.,

W. Q. GRESHAM.



No. 38.

*Mr. McAdoo to Mr. Gresham.*NAVY DEPARTMENT,  
Washington, D. C., April 26, 1894.

SIR: I have the honor to inclose herewith, for your information, copies of a communication from Capt. J. C. Watson, U. S. N., commanding the U. S. S. *San Francisco*, dated Bluefields, Nicaragua, April 16, with eighteen inclosures, reporting on the state of affairs in the Mosquito Reservation.

I have, etc.,

W. MCADOO,  
*Acting Secretary of the Navy.*

[Inclosure in No. 38.]

*Captain Watson to Mr. Herbert.*U. S. S. SAN FRANCISCO (SECOND RATE),  
Bluefields, Nicaragua, April 16, 1894.

SIR: In obedience to your cable to Admiral Benham, then at Rio, dated March 16, 1894, directing him to proceed in the *San Francisco* to Bluefields, Nicaragua, to ascertain and report upon what claim of right the British troops were landed at that place, and also the situation at the time of landing these troops and since then, etc., turned over to me in Curaçoa, Dutch West Indies, on April 8, 1894, for execution, I have the honor to submit the following report:

2. On the evening of February 27 H. B. M. S. *Cleopatra*, Capt. A. F. Curzon-Howe, R. N., commanding, debarked at Bluefields Bluff a force consisting of about 50 men and 4 officers, the senior lieutenant, Reginald Colmore, R. N., the executive officer of the *Cleopatra*, in command. The *Cleopatra* sailed the following morning, February 28, for Colon, leaving this force at the bluff, quartered in a private warehouse belonging to L. D. Emory & Co., mahogany dealers.

3. There is absolutely nothing to show that Captain Curzon-Howe made any claim that he had a right to land an armed force in the reservation or on any portion of the Nicaraguan territory; on the contrary, there is good evidence that the consent of the Nicaraguan commissioner was first obtained before leaving the force at the bluff. The latter insisting, however, that his consent to the landing of the force was qualified by the proviso "without arms."

4. I learn, as a matter of fact, that while at the bluff the arms and colors of the force were kept in the ship's boats except upon one occasion, when they were landed for a short time only, while some photographs were taken of the party.

5. Captain Curzon-Howe had been begged by the American and other residents not to leave them unprotected by the withdrawal of the *Cleopatra*, as the bitter feeling which existed between the Nicaraguan soldiers and natives might at any time lead to a riot, endangering the lives and property of all the residents. The good grounds for this fear of the foreign residents was impressed upon him by seeing the roughness of the Nicaraguan soldiers acting as police in dispersing the crowds which were constantly collecting, the city being at that time still under martial law and occupied by three hundred or more Nicaraguan troops.

6. I can, perhaps, better explain the situation at this time by giving you a brief résumé of events which preceded and followed the landing

of the British force. On February 7 the British steamship *Miranda* left Grey Town with about 160 Nicaraguan troops on board, having been chartered to carry them to Bluefields Bluff. February 8 the steamship *Miranda* arrived at Bluefields Bluff with the Nicaraguan troops on board; the following evening these troops were brought up to the town and quartered on board the disabled steamboat *Mabel Comeaux*.

7. On February 10 the Nicaraguan commissioner, Lacayo, issued a proclamation to the citizens of Bluefields, a copy of which is inclosed herewith, marked A.<sup>1</sup>

The night of the 11th a reënforcement of about 200 Nicaraguan troops arrived at Bluefields from Rama. Very early on the morning of the 12th the Nicaraguan troops occupied the town, and by daybreak had taken possession of the court-house and other public buildings, over which they hoisted the Nicaraguan flag. The prison gates were thrown open and the criminals set free. The same day Rigoberto Cabezas, signing himself "Intendente General of the Atlantic Coast," issued a proclamation declaring the city of Bluefields in a state of siege, a copy of which is inclosed herewith, marked B.<sup>2</sup> After the issuing of this proclamation, the chief and members of his government withdrew to Pearl Lagoon.

9. February 22 H. B. M. S. *Cleopatra*, en route to Bluefields, stopped at Grey Town for the English consul, and her commander, while calling on the United States consul at that place, expressed a hope that a United States man-of-war would soon come to Grey Town, as he would be glad, the British interests being so small, to turn over everything to an American naval officer. He also offered to United States consul a passage to Bluefields.

10. February 23 Gen. Rigoberto Cabezas issued a decree, misdated February 9, declaring the whole Mosquito Reservation under siege. A copy of this decree is inclosed, marked C.

11. February 25 the *Cleopatra* arrives at Bluefields.

12. February 26 the American and other residents request commanding officer of *Cleopatra* not to leave them unprotected by withdrawal of *Cleopatra*.

13. Nicaraguan Commissioner Lacayo and General Cabezas called officially on board the *Cleopatra*. The force from H. B. M. S. *Cleopatra* was debarked at Bluefields Bluff, spending the first night on board an American schooner. That evening *Cleopatra* left for Colon.

14. February 28, Gen. Rigoberto Cabezas issued a proclamation declaring "that from this date martial law in the Mosquito Reservation ceases." At 6 a. m. the Nicaraguan flag was hauled down, the flag of the Mosquito Reservation attached to it and again hoisted; afterwards the two flags were hoisted side by side. These happenings of February 28 were the direct result of the consultations between the Nicaraguan Commissioner Lacayo, General Cabezas, the English Consul Bingham, and Captain Curzon-Howe.

15. March 3 the *Cleopatra*, returning from Colon, stopped at Grey Town, and her commanding officer called on United States Consul S. C. Braida and again offered him passage to Bluefields, telling him that Nicaraguan Commissioner Lacayo had consented to his landing a force from the *Cleopatra* at Bluefields Bluff on account of the alarm felt by the people of Bluefields. He also said that he was returning to Bluefields to see the provisional arrangement carried out, but admitted that

<sup>1</sup> Transmitted by Mr. Baker. (See inclosure 7 in No. 12.)

<sup>2</sup> Transmitted by Mr. Baker. (See inclosure 8 in No. 12.)

nothing could be permanently settled without the United States being consulted.

16. March 4 the *Cleopatra* arrived at Bluefields, and the same day an agreement was published between the Nicaraguan commissioner and Captain Curzon-Howe, R. N., for the formation of a provisional government for the Mosquito Reservation. This agreement provided for the appointment of a municipal council, consisting of four persons, two of whom were to be appointed by General Lacayo and two appointed by the United States consular agent, Mr. Seat, with the Nicaraguan commissioner as presiding officer.

17. Two Americans were appointed by Mr. Seat as members of this council, but after one so-called meeting at the house of the Nicaraguan commissioner, seeing no business was being transacted, and finding themselves in a hopeless minority, they withdrew after having unsuccessfully urged the necessity of increasing the number of members of the council so as to take in representatives from the English, German, and Indian residents of the town.

18. The reason given for their withdrawal was that the Nicaraguan majority in the council left them without power in the government, while they were still made parties to the responsibilities.

19. It was further agreed between Captain Curzon-Howe and the Nicaraguan Commissioner Lacayo that the Nicaraguan soldiers should be at once sent away from Bluefields, leaving only a police guard of about 20 men until a proper police force could be organized.

20. March 5 the Nicaraguan commissioner objecting that he had no way of withdrawing the troops from Bluefields, Captain Curzon-Howe embarked in the *Cleopatra* about 120 Nicaraguan soldiers, leaving about 40 regulars and about as many more ununiformed volunteers, who were to leave the following day for Rama, but who did not go. The same evening the *Cleopatra* sailed for Grey Town. In the afternoon of the same day a servant of the Nicaraguan commissioner ran down the street firing right and left at groups of people with a revolver belonging to the commissioner, luckily injuring no one. He was attacked by the natives and beaten almost into insensibility, being finally rescued by some Americans, who turned him over to the soldier police, who came up at this time, and who reluctantly consented to arrest him, and who soon allowed him to slip into the commissioner's house by a rear entrance.

21. That evening, about 9.30, the police entered a drinking saloon and attempted to take from the people assembled their canes. This led to a riot and to the firing of a number of shots, some of which were fired by a party of soldier police coming up to the aid of the first party. When the people had been driven into the houses, it was found that one soldier had been killed and one wounded, and that a woman was wounded as she was getting out of bed.

22. Lacayo, with some of his friends, all armed with Winchester rifles, started for the scene of the firing, but he was persuaded by some Americans to stop at the club, which he did for a little while, urging those present to arm themselves. He finally accepted a suggestion to seek Mr. Hatch, the acting British vice-consul, and get him to send for the English force at the bluff. Mr. Friedlander, an American, is said to have accompanied him, at his request, and they were met on the way to the house of the acting British vice-consul by Mr. Hatch himself and Mr. B. B. Seat, who were seeking him to advise the bringing of the British force from the bluff for protection. The commissioner was asked by Mr. Hatch if he had not better send for the English force

to police the town, to which it is said he replied in the affirmative, and even offered to sign the written request (dictated by Mr. B. B. Seat at the request of Mr. Hatch) asking the officer commanding the English forces at the bluff to bring his men to Bluefields as quickly as possible to prevent riot and bloodshed and to protect life and property. Sworn statements to this effect are inclosed herewith, marked E. Mr. Hatch himself signed the request, telling the commissioner that his signature was not necessary. In this request the commissioner and the United States consular agent are mentioned as joined.

23. At about 2.30 a. m., March 6, Lieutenant Colmore, R. N., came alongside the commissioner's wharf with about 37 of his men, and after reporting to the commissioner, landed his men there, marched them to the police station, and immediately took charge of the police duties of the town. The same day he issued his first order, a copy of which is inclosed, as well as his subsequent orders, marked F.

24. March 7 the commanding officer of the *Cleopatra* returned from Grey Town, to find that his officers and men were giving police protection to the town. The force was increased until Lieutenant Colmore had under his command on shore about 115 men.

25. All arms that could be found were taken charge of by Lieutenant Colmore, R. N., and on March 8, acting on information that he had received, he found concealed, just outside the town, about 600 rifles and about 30,000 rounds of ammunition, which he took charge of and placed on board the *Cleopatra*, and which were afterwards landed at Grey Town.

26. This force under Lieutenant Colmore, R. N., remained on shore giving police protection to the town until March 17, when they were relieved by a naval brigade under command of Lieut. C. E. Tower, R. N., from H. B. M. S. *Canada*.

27. March 9 Staff Commander Carston and Midshipman Pearce from the *Cleopatra* went to Rama and made longitude observations.

28. March 11 the American steamship *Yulu* left Bluefields to take a party of Americans to Grey Town to urge the United States consul to return with them to Bluefields. Gen. Rigoberto Cabezas and Ernesto Bermudez took passage on the same steamer, carrying dispatches for the Nicaraguan commissioner to Grey Town. By request they stopped alongside the *Cleopatra* to take the mail, and, under peculiar circumstances, General Cabezas went on board the *Cleopatra* in obedience to a request of her commanding officer, as further set forth in a certified statement, a copy of which is herewith inclosed, marked G.

29. General Cabezas subsequently was taken to and brought back from Grey Town in the *Cleopatra* and went ashore in a most amicable manner with her commanding officer on her return on March 14, and has never been heard to make any complaint against the actions of the English captain. The commissioner, however, during my official call upon him, denounced this action of Captain Curzon-Howe as a high-handed outrage.

30. March 12 the commanding officer of the *Cleopatra* addressed a letter to Her Britannic Majesty's acting vice-consul requesting him to find out from the Nicaraguan commissioner "when he is prepared to take over the police duties of the city of Bluefields, etc." A copy of this letter, which was forwarded to the Nicaraguan commissioner, as well as the reply of the commissioner thereto, are herewith inclosed, marked J.

31. As is seen in the reply of the Nicaraguan commissioner, no exception is taken therein to the statement of Captain Curzon-Howe that the English officers and men were protecting life and property in Bluefields

at the request of the said commissioner, but the reply shows that he was not willing to undertake the police duties of the town until March 14, two days later.

32. March 13 the steamship *Yulu*, returning, brought back Mr. S. C. Braida, the United States consul at Grey Town, who has since remained here at the request of the United States consular agent and citizens.

33. March 14 a memorial was addressed to Captain Curzon-Howe, R. N., commanding *Cleopatra*, signed by about thirty-six American residents, thanking him, his officers, and men for the prompt protection that had been given this community by them. The day before he left Captain Curzon-Howe addressed a farewell letter to the International Club, referring to his actions here, a copy of which is herewith inclosed, marked K.

34. March 17 H. B. M. S. *Canada* arrived at Bluefields, and the same day landed a force, under the command of Lieut. C. E. Tower, R. N. A copy of his order, dated March 18, relieving Lieutenant Colmore, is inclosed herewith, marked H. The force from the *Cleopatra* returned to their ship on this date (March 18), and she sailed the same day for Bermuda, stopping en route at Corn Island.

35. March 19 a provisional contract was entered into by the Nicaraguan commissioner and Her Britannic Majesty's Consul Bingham for the Government of the Mosquito Reserve, pending the settlement by the contracting signatory parties to the treaty of Managua of the diplomatic question that has arisen. The same day Her Britannic Majesty's Consul Bingham stated to the American residents that if they persisted in their refusal to participate in the provisional council the English forces would be withdrawn the following morning. These forces were all withdrawn from Bluefields, and embarked on board the *Canada* the following day, March 20. The same day Gen. G. Rueling, signing himself governor of police, issued the following order:

Having taken charge of the police force of Bluefields, any orders that have been issued by the officers of H. B. M. navy will be carried out until further notice.

36. The United States consular agent, Mr. B. B. Seat, accompanied by Mr. Samuel Weil, left for Washington this day, March 20, as delegates appointed by the American residents here to urge our Government to protect their interests and rights in the present complications. The same day the United States consul, Braida, having declined to appoint anyone a member of the provisional council, two Americans (Mr. Weinberger and Mr. Higley) were notified by the Nicaraguan commissioner that they were members of the council. The former called a meeting to find out if it was their unanimous wish that they should represent them. At this meeting the American residents passed resolutions, a copy of which is inclosed herewith, marked L. After these resolutions were passed Mr. Weinberger declined to serve.

37. March 21 the steamer *Hendy* arrived from Rama with about 30 soldiers on board, their arms being on the same steamer in boxes, causing great excitement. They were, however, landed without trouble when it was understood that the commissioner had consented to their arms being taken to the bluff. Mr. Weinberger escorted the soldiers to the commissioner's house, where, it is claimed, the commissioner had promised to keep them. It is believed that the arms were smuggled into Bluefields, as the boxes sent to the bluff contained nothing but straw. At a meeting of Americans held that night a motion offered by Mr. Weinberger was adopted—to organize a force to patrol the town in accordance with the permission given by the Nicaraguan commissioner. United States consul was requested to inform General Lacayo

that the force had been organized, but when he did so General Lacayo said that within the last two hours circumstances had arisen which would compel him (Lacayo) to take charge of the town with his soldiers. At this meeting a speech or speeches denunciatory of the Nicaraguan commissioner are said to have been made, which may account for the commissioner's withdrawal of his consent.

38. March 22 H. B. M. S. *Canada* sailed for Colon, stopping at Grey Town to land Her Britannic Majesty's Consul Bingham.

39. March 23, at the request of General Cabezas, inspector-general of the Atlantic Coast, Consul Braida called a meeting of the American residents and assisted the former, who was present at the meeting, in attempting to get the Americans to reconsider their actions with reference to taking part in the provisional council. While the meeting was in session, with some likelihood of a favorable compromise, a delegation of Americans from Rama arrived, bringing a written statement, signed by seventeen American and other foreign residents of Rama, addressed to the United States consul, reporting the murder of Mr. William Wilson, of Brooklyn, N. Y., and a resident at that time of Rama, by the acting governor of Rama, Norberto Argüello, which occurred the night previous. This caused great excitement and broke up the meeting. I also inclose a letter of this date concerning Corn Island, marked O.

40. On March 24 the notice was published of the formation of the Provisional Government, a copy of which notice is herewith inclosed, marked M.

41. March 25 Señor José Madriz, the minister of foreign affairs and public culture of the Republic of Nicaragua, sent to Bluefields as special commissioner of the supreme Government of Nicaragua in the Mosquito Reservation, arrived, and on the 28th issued a proclamation to the citizens of Bluefields, a copy of which is herewith inclosed, marked N.<sup>1</sup>

42. March 30. I also inclose a notice to British subjects of this date, issued by Her Britannic Majesty's Acting Vice-Consul Hatch, marked P.

43. On the evening of March 31 a meeting of the residents of the town, called together by Capt. John McCafferty, passed the resolutions which are herewith inclosed, marked Q, and which meeting is referred to in the letter addressed to United States and Her Britannic Majesty's consuls, signed José Madriz, a copy of which is herewith inclosed, marked R.

44. April 2 a Nicaraguan military captain was shot and killed while watching the play at a gambling house in Bluefields. Several negroes were arrested, charged with the crime, but later a Nicaraguan soldier was arrested, charged with the killing, and the negroes were discharged.

45. April 3 H. B. M. S. *Magicienne* arrived, relieving H. B. M. S. *Canada*. The *Magicienne* was here when this ship arrived, the evening of April 11, leaving, however, a few hours after we anchored, for Colon, stopping within hail of this ship and offering to take dispatches to that place from Admiral Benham, whom her commander thought was on board. I sent an officer to thank him and get information regarding the situation. I learned of the withdrawal, on April 1, of the exequatur of the United States consul, S. C. Braida, notice of which was received here on April 6; also that no English force had been landed since the withdrawal of the brigade from the *Canada*, on the 20th of March. He also sent me word it was reported that a Nicaraguan force

<sup>1</sup>Transmitted by Mr. Braida (see Inclosure 1 in No. 24).

of 400 armed men were shortly expected at the bluff; that in consequence of this report, he had secured pledges from the Nicaraguan minister of foreign affairs, temporarily in Bluefields, that none of these soldiers would be permitted to appear in the settlement with arms or remain over night, unless by some accident, in which event they would be kept in the commissioner's grounds.

46. The following day, April 12, I landed with a number of the officers (all in uniform and on duty) to gather information from as many different sources as practicable as to the situation, past and present.

They were required to report in writing, giving source of information. I called at the consulate, then, with the assistance of Mr. Braidá, gathered, from a number of reliable sources, the information which, together with that obtained by the other officers of the ship, I have embodied in this report; also I have since collected a number of notices and other documents, copies of some of which I have inclosed with this report.

47. On April 13, accompanied by some of the officers, I called officially on Mr. Madriz, special commissioner, and Mr. Lacayo, commissioner. In conversation with the former he denied, in the most emphatic manner, having given any pledge to anyone that he would not introduce Nicaraguan troops whenever necessary, into the settlement of Bluefields, asserting the right of Nicaragua to place her troops in any part of her territory that she wished to, but assured me personally that he would not himself call in Nicaraguan troops except in case of serious disorder; and on my expressing apprehension of panic and serious danger therefrom should armed troops [come] into the town in the present excited state of the people, and that I trusted the respectable portion of the community would be first called upon to assist the police in quieting any disturbance before calling in the troops, he assured me that he would only call in armed troops as a last resort, but that he must be the judge as to the necessity. He also gave me a personal written assurance that the man charged with the murder of William Wilson would be kept securely, tried, and dealt with according to the laws of Nicaragua.

48. An investigation is now being made by Señor Madriz, at which the residents are being called upon to give their complaints, in answer to the questions put, and the answers have been written in Spanish, and some have been so imprudent as to sign, when, being unable to read Spanish, they could not know to what they were affixing their names. Others, however, refuse to sign.

49. The officials of the Republic of Nicaragua are in complete charge and control of the whole Mosquito Reservation. I apprehend no danger to life and property at present unless the Nicaraguan soldiers do enter the settlement, which I do not believe will occur should the American residents prudently refrain from showing any marked hostility to the present Government.

50. The Indians, who do not live in this settlement, are in quite an excited state, and it is thought they are looking to the Americans for guidance and direction. They are impatient, and expect a man-of-war to give them their rights and settle things at once. In my opinion one of our ships should remain here at least for some little time longer.

51. I am advising our citizens to beware of the slightest appearance of obstructing the actions of the present Government or antagonizing the officials of the Republic in any but a legal way.

52. I leave to-morrow for Port Limón, the nearest reliable cable station, where I will await instructions. Have given Lieutenants

McLean and Grant leave of absence until my return. I am glad to have them remain, and have notified Señor Madriz that Mr. McLean will call upon him.

Very respectfully,

J. C. WATSON.

C.

OFFICE OF THE INSPECTOR-GENERAL OF THE ATLANTIC COAST.

I, Rigoberto Cabezas, inspector-general of the Atlantic coast, in virtue of the power invested in me,

DECREE.

ART. 1. The entire territory of the Mosquito Reservation and beyond up to Cape Gracias á Dios is hereby declared under siege.

ART. 2. That all persons residing in the city of Bluefields must appear at this office and obtain a certificate of registration. Without such certificate no person will be identified according to the requirements of law.

ART. 3. The Nicaraguan authorities on the Atlantic coast shall comply with the carrying out of this decree in their respective jurisdiction.

And all persons failing to comply with this decree shall incur a fine not less than \$10 and not exceeding \$160.

Given in Bluefields this 9th day of February, one thousand eight hundred and ninety-four.

R. CABEZAS.

D.

BRITISH VICE-CONSULATE,

*Bluefields, Mosquito Reservation, Nicaragua, April 12, 1894.*

Theodore D. Loss Rock, native of the United States, clerk to the American consulate, states as follows:

On the evening of the 5th of March last about 9.30 I was in Mr. Hatch's dining room, when I heard Mr. Hatch, the acting vice-consul (British), [ask] Capt. B. B. Seat to do him the favor to dictate a letter to his nephew, who would write to Lieutenant Colmore, who was at the bluff with marines, requesting that he would bring them on shore, fears being entertained that a serious disturbance might occur.

I saw Commissioner Lacayo there and heard him say, in answer to a remark made by Mr. Hatch, if the marines should be sent for, that he replied, "For God's sake, do," or "For God's sake, yes." He then asked if he should sign the letter. Mr. Hatch replied that "it was not necessary."

On the morning of the 6th of March I was present at the meeting that took place in the American consulate, at which Commissioner Lacayo and Lieutenant Colmore, R. N., were present, and heard Lieutenant Colmore ask Mr. Lacayo (owing to a fear of some outbreak amongst the people) if he should continue the police duties of the town, saying that he would report to Mr. Lacayo all that was done, and guaranteeing the safety of lives and property, to which Mr. Lacayo assented.

I heard Mr. Lacayo, on one occasion, about the 6th of March, say, "I have given permission to Captain Curzon-Howe to land his men at the bluff, but without arms."

THEODORE D. LOSS ROCK.

Sworn before me this 13th day of April, 1894.

EDWIN HATCH, *Acting Vice-Consul.*

E.

*Statement of Julius Friedlander.*

BRITISH VICE-CONSULATE,

*Bluefields, Mosquito Reservation, Nicaragua, April 7, 1894.*

Julius Friedlander, citizen of the United States of America, states as follows:

That on the evening of the 5th of March last about 9 o'clock I met General Lacayo in front of the International Club in this town, accompanied by a crowd of armed men on their way to ascertain the cause of the trouble. I with other members suggested that it would be better for the General to wait until some further advice came,



to know what was the matter. After sometime one of his officers came and informed him of the cause. We then suggested that it would be well to see the English vice-consul and have the marines on shore, to which he assented. We proceeded to the consulate.

We went into the family dining room of Mr. Hatch, when Mr. Hatch, in the presence of Captain Seat, United States consular agent, myself, and others asked Gen. Carlos A. Lacayo whether he thought it would be advisable to send for the marines on shore, to which he replied that it was highly necessary. Mr. Hatch then requested Captain Seat to dictate a letter to Lieutenant Colmore, the officer in charge of the British marines at the bluff; he also asked General Lacayo to give him two soldiers with his (the governor's) private secretary, to go with him to arrange about a boat to go out, which he granted. I went along with them, the boat being at my wharf. After arranging, we returned to Mr. Hatch's; the letter that Captain Seat dictated was then read. Mr. Hatch then signed, and General Lacayo asked if he should sign. Mr. Hatch replied that it was not requisite. We then returned with letter, and sent it forward.

JULIUS FRIEDLANDER.

Sworn at Bluefields, Mosquito Reservation, this 7th day of April, 1894. before me.

EDWIN D. HATCH, *Acting Vice-Consul.*

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E.

B. B. Seat certifies to asking for landing of troops:

I certify that on the night of the 5th of March, about 9.30 p. m., just after the firing on King street, I met Mr. E. D. Hatch, Her Britannic Majesty's vice-consul in Bluefields, and that Mr. Hatch asked me if I thought it was advisable to dispatch a boat for the marines who were at the bluff. I answered him in the affirmative, and he then suggested that we go down and see Commissioner Lacayo. I assented, and we started, but met Commissioner Lacayo and others within a short distance of Mr. Hatch's place. We returned to Mr. Hatch's and went into the family dining room, where I dictated a dispatch for the marines by request of Mr. Hatch, and in the dispatch the commissioner was joined as a party asking their presence on shore. Mr. Hatch asked him if his name should be joined in the request and he promptly consented.

B. B. SEAT,  
*United States Consular Agent.*

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F.

BLUEFIELDS, *March 6, 1894.*

At the request of the commissioner and consular authorities I have undertaken the police duties of the town for the present. To prevent further disturbance all liquor shops, bars, or drinking saloons must be closed until further orders.

REGINALD B. COLMORE,  
*Lieutenant in Her Majesty's Navy and  
Officer in Command of Her Majesty's Seamen from H. M. S. Cleopatra.*

2.

Any person found carrying arms will be immediately arrested.  
By order of:

R. B. COLMORE, *Lieutenant, etc.*

NOTICE.

BLUEFIELDS, *March 8, 1894.*

1. In order to insure the tranquillity of Bluefields, any natives hanging about the streets who can not give a satisfactory explanation for their presence or who have no legitimate occupation are liable to arrest or imprisonment.

2. Any person or persons making or inciting a riot or rebellion, or making a meeting, or inciting others to do so in a manner calculated to disturb the public peace, will be arrested on the spot.

By order of:

REGINALD B. COLMORE,  
*Lieutenant, etc.*

## G.

*Statement in regard to General Cabezas leaving steamship Yulu and going on board H. M. S. Cleopatra.*

Sunday evening, March 11, 1894, at 10 p.m. steamship *Yulu* left her wharf at Bluefields Bluff, bound for Grey Town with seven passengers on board, as follows: Gen. Rigoberto Cabezas, Ernestino Bermudez, J. Weinberger, Paulo Osterhout, M. D., Charles Lobner, Henry B. Williamson, Oliver Simmons.

It was requested that the *Yulu* call alongside of H. M. S. *Cleopatra* to get mail. On the arrival of the *Yulu* alongside of the *Cleopatra* a cutter from the man-of-war came alongside; an officer boarded us, asked for General Cabezas; was told he was asleep; asked to have him woken, and politely requested that he go with him aboard the man-of-war.

General Cabezas immediately got out of bed. The officer also gave him a letter from the captain of the *Cleopatra*, which was translated into Spanish by Mr. Latson, purser of the *Yulu*, upon which General Cabezas expressed his entire willingness to accompany the officer aboard the war ship. General Cabezas dressed himself, took his valise, and accompanied the officer aboard the cutter. Mr. Bermudez was also asked to accompany him and went along.

In about ten minutes the boat returned with Mr. Bermudez and the officer informed Captain Johnson, of the *Yulu*, that General Cabezas and Captain Curzon-Howe had important business to transact which would take no less than twenty-four hours. We therefore proceeded on our way.

After getting underway, Mr. Bermudez, as a representative of the Nicaraguan commissioner at Bluefields, protested against our leaving General Cabezas aboard the man-of-war, and said if we would return and stay there two hours he would hold himself personally responsible for any amount for the detention caused the *Yulu*, signing papers to that effect.

We turned back, and after anchoring alongside the *Cleopatra* a ship's boat came to us to see what was wanted. The officer was asked if General Cabezas was under arrest. He said no, that he was then in the captain's cabin conversing with him. We thereupon proceeded on our way.

We, the undersigned passengers of the steamship *Yulu*, on the above-mentioned trip, do hereby certify that the above is a true account of the circumstances as they happened, and that General Cabezas and Mr. Bermudez left the *Yulu* and went into the man-of-war's boat without any force or compulsion being used; that they made no protest of any kind and that no sort of force was used, and that they both went of their own free will and accord.

CHARLES LOBNER.  
OLIVER SIMMONS.  
HENRY B. WILLIAMSON.  
J. WEINBERGER.  
PAUL OSTERHOUT, M. D.

I, the undersigned, certify herewith that the above statement was made out and signed in my presence, on board the steamship *Yulu*, March 13, 1894.

S. C. BRAIDA, *United States Consul.*

I hereby certify this to be a true copy of a statement lodged in this British vice-consulate.

EDWIN D. HATCH, *Acting Vice-Consul.*

## H.

BLUEFIELDS, March 18, 1894.

The police duties of the town having been undertaken by Lieutenant Colmore, of H. M. S. *Cleopatra*, at the request of the commissioner and consular agents, I hereby give notice that all orders issued by him for the preservation of good order will for the present remain in force.

By order of:

CYRIL E. TOWER,  
*Lieutenant in Her Majesty's Navy and  
Officer in Command of the Brigade of H. M. S. Canada.*

## I.

*Copy of letter from Captain Curzon-Howe to Her Britannic Majesty's Vice-Consul.*

BLUEFIELDS, MOSQUITO RESERVATION, NICARAGUA,  
March 12, 1894.

SIR: I have the honor to request that you will endeavor to find from the commissioner of Nicaragua to the Mosquito Reservation, when he is prepared to take over the police duties of the city of Bluefields, and to guarantee the safety of the lives and properties of the inhabitants.

Señor Lacayo, in conjunction with yourself and the United States consular agent, having requested the assistance of some of my officers and men during my absence, it was a duty to render that assistance. But it can not be supposed that officers and men of Her Britannic Majesty's Royal Navy are serving for such duty for any length of time. Tranquillity having been preserved, I trust that Señor Lacayo will be able to give me a date as to when he can guarantee to the satisfaction of the consular authorities the safety of the inhabitants of Bluefields, with natives and foreigners, when I only too gladly hand over to them the police duties and return to the ship.

I have the honor to be, sir, your obedient servant,

A. G. CURZON-HOWE

## NOTICE.

BLUEFIELDS, March 15, 1894.

Liquor shops, bars, and drinking saloons may now remain open from 6 a. m. until 6 p. m.

By order of:

REGINALD B. COLMORE,  
Lieutenant, etc.

The above are copies of proclamations issued by Lieutenant Colmore, R. N.

## J.

*Translation of letter from Don Carlos Lacayo to vice-consul.*

BLUEFIELDS, MOSQUITO RESERVATION,  
March 12, 1894.

I have the pleasure to inform you that I have received your attentive letter of this date, in which you ask me for Captain Curzon-Howe, of H. M. S. *Cleopatra*, what date I could be prepared to take charge of the police force to secure the peace and protection of the inhabitants of this city. And, furthermore, I have much pleasure in returning to you your guard aboard your boat.

In confirmation, I have the honor to say that on Wednesday, the 14th of March, I will put in charge the police force which I will organize, who will present all guarantee to the community corresponding to the supremacy exercised in your right. The captain can confide in this security.

I am, with every consideration, your attentive servant,

CARLOS A. LACAYO.

## K.

*Captain Curzon-Howe to the International Club.*

MARCH 17, 1894.

GENTLEMEN: It only remains for me now to say that unpleasant word "adieu;" but before doing so I wish to thank you all for your never-failing courtesy and the hospitality offered by the members of the club to myself and my officers. My past actions are done and will be judged by my superiors; but the true story of the past two months can only really be known by you gentlemen, more particularly those residing in the place with your wives and families.

I have heard a great deal of the Monroe doctrine and Great Britain's interference, but the only doctrine I know is that of helping people in trouble and, if possible, and consistent with international rights, to protect their homes and properties; such help as we in the Royal Navy would be only too readily afforded by any of your own officers, in similar circumstances. We do not forget the ties that connect our two navies, or the proofs of good fellowship rendered by your officers, and so gratefully received by us. The word "farewell" must now come in, but with it the best wishes of the captain, officers, and men of H. M. S. *Cleopatra* for the welfare of the club and for the success and prosperity of the American community in Bluefields.

Believe me to be, gentlemen, very sincerely, yours,

A. G. CURZON-HOWE.

L.

*Resolutions drawn up by American citizens at a meeting called by Mr. J. Weinberger.*

RESOLUTIONS.

Whereas Commissioner Carlos A. Lacayo has, against our wishes and the wishes of our consul, S. C. Braida, appointed two Americans to represent us in the proposed provisional government:

*Resolved*, That it be the sentiment of this meeting that any American taking part in the Lacayo government be immediately repudiated by the Americans living in the reserve;

*Resolved*, That any so-called American that accepts such a position be denounced as a renegade;

*Resolved*, That these resolutions be ordered printed in the Bluefields Messenger.

M.

NOTICE.

In the city of Bluefields, at 11 o'clock a. m. on the 24th day of March, 1894, the undersigned assembled with the object of organizing a provisional municipal government of the Mosquito Reserve. After being duly sworn before the commissioner of the Republic of Nicaragua and receiving possession, proceeded to install the council in the following manner:

Chairman of the council, Carlos A. Lacayo.

Members: Mr. Dennis H. Thomas, Dr. Narciso Barberena, Mr. José Aramouru, Mr. Marcus Mairena, Mr. Robert Shepherd, Mr. A. Schmidt, Mr. H. G. Higly.

On the 26th instant Carlos A. Lacayo withdrew, previously appointing Mr. Dennis H. Thomas president of the council. The provisional council have appointed Gen. G. Rueling as governor of police and J. M. Mongrio as judge of the peace.

O.

*Copy of letter of J. A. Petersen.*

MARCH 23, 1894.

Hon. S. C. BRAIDA, *United States Consul.*

DEAR SIR: In conversation with Mr. C. A. Lacayo yesterday, March 22, he informed me that when Admiral Benham was here with U. S. S. *San Francisco* in October he, Lacayo, signed an agreement to turn the Corn Islands over to the United States Government if the United States Government would not interfere if Nicaragua took the Mosquito Reserve, and also said that he had New York drafts to the amount of \$10,000 gold, which he was at liberty to use at any time, leaving me to infer where the drafts came from.

Also saying that the United States policy was to move so slowly that they were liable to lose said Corn Islands. Also that his powers were unlimited—even in the matter of life and death.

Thinking it my duty as an American citizen to inform my country of the above facts, I make you these statements.

J. A. PETERSEN.

I certify the above to be a true copy.

S. C. BRAIDA, *United States Consul.*

P.

NOTICE.

BLUEFIELDS, *March 30, 1894.*

I hereby warn all British subjects not to meddle or take part in any question or questions now pending in respect to the Mosquito Reserve and the supreme Government. They must obey the law or laws that may have been issued or will be issued from time to time, and in no manner oppose the authorities or attend public meeting, but to obey the officers appointed to protect the reserve. This they must do in any city, but more particularly in the city of Bluefields and the Mosquito Reserve.

EDWIN D. HATCH, *Acting Vice-Consul.*

The above is a copy of a proclamation issued by Acting Vice-Consul E. D. Hatch.

Q.

*Captain McCafferty's meeting.*

We print below an account of a public meeting held in Bluefields on the 31st March last, where it will be seen it is the opinion of the people that a (temporary) government to carry on the business of the reserve is absolutely necessary while the diplomatic settlement is being carried on. We fully agree with the resolutions that were passed; but, unfortunately, owing to the existence of the Bingham-Lacayo agreement, coupled with the Madriz decree, it would be impossible to carry them out now. It seems strange while the above agreement was being drawn up his excellency the chief and his advisers were never consulted, as their opinions and advice would have been most valuable and given it a tone of support acceptable to the people, it being understood at the time "that neither his excellency the chief or the commissioner should take any active part in its business." A great mistake was made at the first in placing too much confidence in the good intentions of the Nicaraguan officials and ignoring our chief entirely. Although he may be young, yet he has many good followers at hand who would have assisted him in every way to keep things going, and would have been the means of bringing forward good, sound representatives, perfectly willing to work for the country's welfare, who, at the final settlement, gracefully accept their dismissal if the reserve should cease to exist; and if the treaty is to be maintained in its entirety, would resign with pleasure, handing over the business in good order to his excellency the chief and his council.

At the mass meeting which was convened at the mission school room at the request of Capt. John McCafferty, and at which a prominent American citizen presided, the following preamble and resolutions were unanimously adopted:

"Whereas the legally constituted government of the Mosquito Reservation, as defined and decreed by Article III of the treaty of Managua, which reads: 'The Mosquito Indians within the district designated in the preceding article shall enjoy the right of governing, according to their own customs and according to any regulations which from time to time be adopted by them, not inconsistent with the sovereign rights of the Republic of Nicaragua, themselves, and all persons residing within such district. Subject to the above-mentioned reserve, the Republic of Nicaragua agrees to respect and not to interfere with such customs and regulations so established or to be established, within the said district,' was wantonly deposed by an invasion of Nicaraguan soldiers on the 12th day of February, 1894, directed and controlled by Carlos A. Lacayo, the Nicaraguan commissioner to the Mosquito Reservation;

"Whereas the said Nicaraguan commissioner has since the date of said invasion outraged the rights and privileges of the citizens of Bluefields, and more especially of the Americans and other foreigners engaged in and carrying on the industrial enterprise within the jurisdiction of the Mosquito Reservation, by many illegal measures, which must be designated as acts of high treason against the majesty and authority of said treaty of Managua; and

"Whereas the time has arrived for the said deposed government of the Mosquito Reservation to resume the management of both the municipal and national affairs of said reservation as authorized by the aforesaid treaty of Managua: Therefore, be it

"Resolved by the citizens of Bluefields—Americans, English, Germans, French, Creoles, and Indians—convened in public mass meeting this 7.30 p. m. the 29th day of March, 1894, that the chief of the Mosquito Indians, Robert Henry Clarence, is hereby requested to resume control of the Government of the Mosquito Reservation; and be it further

"Resolved, That we, the citizens of Bluefields, irrespective of nationality, do now pledge the said Robert Henry Clarence, the chief of the Mosquito Indians, our moral and political support in the maintenance of all those rights guaranteed to the Mosquito Indians by the treaty of Managua."

The schoolroom was not only packed, but there were also several hundred of our law-abiding citizens on the outside of the building. When the foregoing resolutions, expressive of the feelings and intentions of the good people of Bluefields, were adopted, an enthusiastic shout went up from that audience of earnest men, which ought to have convinced Lacayo and his henchmen that the right guaranteed to the Mosquito Indians of governing themselves has not been surrendered.

*Testimonial to Admiral Sir John O. Hopkins, K. C. B.*

Last week we mentioned in our locals that a testimonial had been forwarded to the admiral of the British West India squadron at Bermuda.

The object of this was to thank him for answering so promptly the telegram of Her Britannic Majesty's consul at Grey Town in sending Her Majesty's ship *Cleopatra* to our immediate assistance while we were in distress, so preventing a most serious calamity, at the same time drawing his attention to the valuable services rendered

by Lieut. R. B. Colmore, R. N., and other officers and men during the time they had control of the town.

It was signed by 64 natives of Mosquito, 62 English and British subjects, 42 United States American citizens, 8 Germans, 4 Colombians, 1 Austrian, 1 Swede, 1 Nicaraguan, and 1 Chinaman; total, 184; and many others would have signed it had they been called upon to do so.

*A Spaniard shot.*

Monday night at 9 o'clock, on the 2d instant, a Spanish military captain named — was shot at a gambling saloon in this town while engaged watching the play. The affair is shrouded in mystery as being a cold-blooded action on the part of some unknown person, as there was no quarreling or loss of temper displayed by anyone present. The governor of police ordered the arrest of every one who was on the premises at the time. The next day they appeared before him, and fined those who cleared themselves of any suspicion the sum of \$15, after enjoying some hours in prison, and detained others for further investigation.

A superior authority ordered the governor to arrest a man who was walking about the town at large, upon very grave suspicions as being implicated in the above affair.

*Arrival of H. M. S. Magicienne.*

Her Majesty's ship *Magicienne* arrived here the morning of the 3d instant to relieve *H. M. S. Canada*, making the trip from Jamaica in thirty-six hours.

R.

*Copy of letter from Minister Madriz to United States and English consuls, April 1, 1894.*

HONORABLE SIRS: It was to me very gratifying, the manifestations of yourselves in disauthorizing in a categorical manner the meeting which took place last night, in which, as yourselves know, resolutions were taken unlawfully against the sovereignty of Nicaragua.

On receiving the first notice of this event I did not doubt but that it would fall under the just censure of yourselves. The interests and peace of the community would be compromised by acts of this nature under the present circumstances and would tend to carry us into anarchy, and to use measures of force has always been far from my mind, because the missions which have been confided in me by my Government are amicable and of attraction to all classes.

Firmly expecting that with the cooperation of yourselves all temptations to rebellion will be frustrated, which permits me to evade the painful duty of upholding with energetic methods the rights of sovereignty "y la vindicta publica" (and the public vengeance).

At the very good suggestion of yourselves to call a meeting of the principal people, with the object of electing the two members (that are short) to complete the municipal council.

It is my duty to make a review of what has been done, and in my methods, as you can see, I have always been disposed to form a government born of public opinion, because I do not comprehend, nor does Nicaragua accept, any other method of ruling the people.

Immediately on my arrival I asked for the documents that were in the office of the commissioner of the Republic, and I was shown a record of recent events. I was sorry to find that the American citizens, who are known to my Government to be good, industrious, and law-abiding citizens, had refused to take part in the provisional government. As yet no explanation has been given to me of the attitude taken by them. The sincere friendship and the strong ties which unite Nicaragua with the United States is why, in the grave questions that are now being debated, have established better and more clearly, from their elevated and just policy, the amplitude of the sovereign rights of Nicaragua.

The American citizens have very valuable interests in the reserve. Almost all have made their homes here, and for this reason it is their duty as citizens to contribute to the welfare of the country.

When the first arrangement was entered into between the commissioner of Nicaragua, the English consul, and the captain of *H. M. S. Cleopatra*, the representative of Nicaragua saw with great pleasure that the American consul was given the opportunity to appoint from among his countrymen two of the five members that would compose the council, and this was reformed later in the convention on which I now occupy myself, on a more liberal basis.

And the desire was always maintained to give representation in the provisional council to the important and respectable American colony.

In spite of perhaps excusable mistakes in those moments of uncertainty these actions tended to destroy the authority of Nicaragua instead of assisting her in her honest intentions.

The American consul, for reasons which he considered proper, did not consider himself authorized to nominate the two members, which nominations were delegated to him.

The commissioner then called upon two Americans to act; that, is to say named them, in conformity with the agreement, but his offers were still declined.

General Cabezas also had two conferences with the most prominent merchants of the city, at which the American consul was present.

General Cabezas tried to convince them of the convenience of assisting to form and establish a government.

The good faith of his efforts and promises was accepted, but with all this, although he was ready to concede anything which would constitute a guarantee, they expressed their intention of not taking any part until the arrival of the American warship, which was expected in a few days.

In regard to the Indians and creoles, I, as yourselves well know, have exhausted all of the resources of reason and persuasion to bring them to a good and patriotic understanding.

I have explained that the highest aspirations of the Government of Nicaragua are nothing else than to establish here a régime of order and liberty, created and sustained by public opinion.

I was asked in the first conference, at which was present Her Britannic Majesty's vice-consul, to define certain points in the provisional arrangement for the reserve, and they compromised themselves to take a part in the council; it was urged that Mr. Lacayo should not preside over the provisional Government, and that the basis of the council should be enlarged, which was much restricted by the agreement entered into with the English consul.

After hearing their opinions and desires, I expedited my decree of the 28th instant, in which I went further than the interested parties could expect, not only giving more power to the provisional council, which would establish a guarantee and secure peace and good administration for local interests, but also designated precise guarantees, in fact privileges not enjoyed by Nicaraguans under our laws as is established in Article 5 of my decree.

I believe that by adopting such a liberal policy to overcome those who are agitating the minds of the people, by promulgating false reports, to weaken the higher aims of the government of Nicaragua.

I believe also that commerce would be benefited by the suppression of high duties, would begin anew, and manifest itself content under the advantages of putting into effect the commercial reciprocity treaty existing between Nicaragua and the United States.

But alas! what has been the response to this decree of guarantees and privileges? You yourselves have concurred in signifying your entire reprobation in regard to the meeting held in a public building of the reserve, and which for certain is in keeping of the Moravian missionaries who have charge of the education of the young and of religious worship.

At this meeting, called later than my decree, the authority of Nicaragua was disputed; it was resolved upon to establish the former régime, which means to break the peace, to disregard the agreements that were entered into by the commissioner and Her Britannic Majesty's consul, and to unjustifiably and imprudently challenge the Republic of Nicaragua.

I can not do less than to state that this meeting was presided over by Mr. Weinberger, manager of the Bluefields Banana Company, who, as you know, is an American citizen and has in his charge here the very valuable interests of a company also American. After such precedents, it is not natural to expect much of new conciliatory measures; but so emphatic are my wishes to adopt all that may tend to secure a friendly solution to the conflicts that seem to intervene, and the ideas advanced by you are deserving of such respect by me, that I am disposed to accept them at once.

The respectable people of the town may elect two persons, whom they may think most capable of participating in the council, and I shall accept their candidates, arranging that the commissioner will duly give them their appointments.

I do not hide from you that I think that the assembly to choose the members in question should be of such a character as to avoid any disagreeable manifestations.

Hoping that we may finally enter into a period of confidence, which is imperatively demanded by the commercial interests and in the interests of public morality, the last beyond question is in such a depraved condition that it would be completely ruined if the laws are not respected, whosoever may be entrusted with the duty of enforcing them.

I express to you my great appreciation in my own name and in that of my Government for your laudable efforts in assisting me to overcome the difficulties of the situation, and I rely upon this good will to be at all times a firm support to the constituted authorities.

I am, with greatest appreciation, yours, etc.,

JOSÉ MADRIZ.

No. 39.

*Mr. Guzman to Mr. Gresham.*

[Translation.]

LEGATION OF THE REPUBLIC OF NICARAGUA,  
*Washington, April 30, 1894.*

SIR: I have the honor, referring to our conversation of this morning, herewith to transmit to Your Excellency copies of the documents which I showed you, and which relate to the important question of an inter-oceanic canal through Nicaragua.

My Government, being anxious to see that great highway between the two oceans opened up for navigation as speedily as possible, always views with the greatest satisfaction the interest which the United States have for a long time manifested in the completion of that most important enterprise.

I reiterate to Your Excellency the assurances, etc.,

H. GUZMAN.

[Inclosures in No. 39.]

*Translation of two paragraphs of a communication addressed to the legation of Nicaragua at Washington by the ministry of foreign relations of Nicaragua, under date of April 7, 1894.*

MR. MINISTER: The United States minister in Nicaragua had a conference a few days since with the President and Vice-President of the Republic, and with the undersigned, his object having been to state to the Government his views with regard to the canal company.

The minister said that he thought that the said corporation, in view of its present circumstances, could not accomplish the piercing of our isthmus, and that, as he understood that the United States Government did not consider it possible for it to associate its name with those of the promoters of that enterprise, in the accomplishment of the work, he desired to know whether the Government of Nicaragua, in case of the lapse of the Cardenas-Menocal contract, would be willing to enter into negotiations with the United States, with a view to settling the question of the construction of the interoceanic highway.

A true copy.

H. GUZMAN.

WASHINGTON, April 30, 1894.



No. 40.

*Mr. Gresham to Mr. Bayard.*DEPARTMENT OF STATE,  
Washington, April 30, 1894.

SIR: I received your dispatches in relation to the Bluefields incident, of the 16th, and of the 29th ultimo.

It is gratifying to note your entire familiarity with the subject and the discretion you have shown in treating the question with Lord Kimberley.

The confused reports of the recent occurrences which from time to time reached the Department from our diplomatic and consular representatives in Nicaragua, did not permit an intelligent review of the incident, and I have been obliged to await the report of Captain Watson, commanding the *San Francisco*, which was at once ordered from Brazil to Bluefields when the unfortunate loss of the *Kearsarge* defeated the purpose of this Government, to obtain earlier information.

I inclose for your perusal a copy of Captain Watson's report under date of April 16, with its accompaniments.<sup>1</sup> \* \* \*

It appears to be conclusively established that the British naval and consular agents in Nicaragua have joined with the Nicaraguan commissioners in various arrangements for the administration of local government in the Mosquito Indian Reservation. The first of these agreements, reached in conferences held on February 26 and 27, between the Nicaraguan commissioner for the reservation, Señor Lacayo; the British consul at San Juan del Norte, Mr. Bingham, and Captain Howe, of H. M. S. *Cleopatra*, appears not to have been completed and announced until March 4, after the *Cleopatra* had visited Colon for the purpose of receiving instructions from London. It would seem that Her Majesty's Government had cognizance of the proposed arrangement. The provisional agreement of March 4, proving abortive, it gave place to another understanding reached on March 19, between the same parties, which does not appear to have been announced until approved, on March 25, by the newly arrived special commissioner of Nicaragua, Señor José Madriz, the Nicaraguan minister for foreign affairs, by whom it was incorporated and proclaimed in a decree, dated March 28, purporting to establish a provisional government for the Mosquito Indian Reservation.

These several arrangements in terms rest upon what are called "contracts" and "protocols" between the representatives of Great Britain and Nicaragua. By Señor Madriz's decree of March 28, these arrangements are to last "until the high contracting signatories, parties to the treaty of Managua, dated 1860, arrange the needful regarding the reserved territory."

I am unable to see that this joint assumption of authority by British and Nicaraguan agents is compatible with the stipulations of the treaty of Managua. By that treaty Great Britain renounced all sovereignty over the reservation and recognized the sovereignty of Nicaragua over the same, and Nicaragua agreed that the Indians should enjoy "the right of governing according to their own customs, and according to any regulations which may from time to time be adopted by them not inconsistent with the sovereign rights of the Republic of Nicaragua, themselves, and all persons residing within such district," subject only to the future contingency of their agreeing "to absolute incorporation

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<sup>1</sup>Not printed.

into the Republic of Nicaragua on the same footing as other citizens of the Republic, and \* \* \* subjecting themselves to be governed by the general laws and regulations of the Republic instead of by their customs and regulations."

The stipulations exclude all idea of local government by others than the Indians in the reservation. They allow no room for foreign intervention in the government of the reservation, or for the administration of the affairs therein by resident aliens.

That the provisional plan formulated by the representatives of Nicaragua and Great Britain provides for the appointment of American, Indian and Creole representatives on the proposed governing commission in nowise alters the essential character of the transaction. The arrangement itself rests upon no sound basis of existing right. Its tendency can only be toward fortifying the assumption that "Mosquitia" is a territorial entity with sovereign rights.

The agents of the United States in Nicaragua have had no part in framing the reported provisional arrangement, and they have signified their intention not to participate in its administration. The proceeding has not, and can not have, the sanction of this Government directly or indirectly.

I am pleased to see by Captain Watson's report that the landing of British forces in the territory was simply for the protection of life and property—American and native as well as English—and that it has not lasted longer than was warranted by events. \* \* \*

With the foregoing views and the inclosed papers before you, you are in a position to express to Lord Kimberley the President's hope and expectation that the anomalous situation now disclosed may speedily cease and that no foreign agency shall be permitted to dictate or participate in the administration of affairs in the Mosquito Reservation.

I am, etc.,

W. Q. GRESHAM.

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No. 41.

*Mr. Gresham to Mr. Guzman.*

DEPARTMENT OF STATE,  
Washington, May 1, 1894.

SIR: I have much pleasure in acknowledging the receipt of the note with which you have favored me under date of the 30th ultimo, and in which, referring to our conversation of that morning, you send me copies of the important canal documents of which we spoke, and express the anxious desire of your Government to see that great highway between the two oceans opened up for navigation as soon as possible, and its appreciation of the interest the United States have so long shown in the enterprise.

For myself, Mr. Minister, I can add little to what has been so ably and earnestly said on many occasions heretofore touching the deep conviction felt by this Government that the completion of the inter-oceanic canal under distinctively American auspices and in the interest of the independent States of this hemisphere and of the world's commerce is a necessity, the importance of which is shown to grow more vital with each passing year. In the President's judgment, the speedy realization of the work is one of the highest aims toward which the

two Governments can move in friendly accord, and no effort will be wanting on our part to bring about so desirable a result, with due regard to all the vast interests involved therein.

Accept, etc.,

W. Q. GRESHAM.

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No. 42.

*Mr. Baker to Mr. Gresham.*

[Confidential.]

UNITED STATES LEGATION,  
*Bluefields, May 2, 1894. (Received May 11, 1894.)*

SIR: In obedience to your cable of the 18th of April, received by me at Managua, I immediately sought to make arrangements for my conveyance to Bluefields via Grey Town. After a most difficult trip, changing conveyances nine times in consequence of the low stage of water in the San Juan River, and the many obstructions, I arrived at the latter place on the 25th of April. Capt. J. C. Watson, of the U. S. S. *San Francisco*, having accidentally heard at Port Limon, to which, among other points, I telegraphed inquiring for means of transportation from Grey Town to Bluefields, kindly ran in and picked me up, landing me at Bluefields on the 26th.

I lost no time in procuring an office and commencing a careful investigation into the condition of affairs as they exist at this time. I first invited the most prominent and intelligent citizens of the place, embracing natives, Creoles, Jamaicans, officers and ministers of the Moravian mission, and American and other foreign business men, to call upon me, either singly or in pairs. These men willingly responded to my invitation, to all my questions in search of information, and in many ways contributed to my stock of knowledge as to the recent past and the present condition of affairs in the Mosquito Reservation. I have rigidly examined 21 of the most intelligent and trustworthy citizens of this place, and had several of them prepare for me brief communications in writing upon special points or phases, copies of which communications will accompany this dispatch.

This is a prosperous community from Bluefields to Rama, a distance of 60 miles, a remarkably thrifty community for Central America—the most prosperous, I think, within the five Central American States. The trade is considerable already, has been rapidly growing until it received the recent violent check, and is substantially all with the United States.

Its most enterprising business men are chiefly Americans. The town is American to the core. There is no semblance of the slothful, indolent, and filthy habits so conspicuous in the interior towns. The houses are clean and handsomely painted; the women dress neatly, and are not made beasts of burden; the men are busy at useful occupations and do not devote their time to petty politics, cockfighting, and parading with muskets. The community has been peaceable throughout. No soldiers existed, for none were required. The civil power has always had full sway, and justice has generally been secured through the courts.

I will invite your attention to the fact that all Spanish or Nicaraguan towns, however small, are governed by military governors; military barracks are the most conspicuous buildings of the respective towns, and the marching of armed men, the beating of the drum, and the

screeching of the fife are at all times before the eyes and filling the ears of the citizens. The majority of the men spend their time in places of resort, discussing politics, plotting revolutions and the like, while the women earn the living.

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Several places—such as Rama, Cape Gracias á Dios, and Corn Island—were formerly prosperous communities under the mild rule of the authorities of this reserve. They now have their military governors and are ruled by autocratic military power. The former prosperity of these places has departed; their former enterprising citizens have been driven out, their business ruined by crushing taxation and the lack of security to life and property.

There is a distinctively antagonistic feeling among the Spanish Nicaraguans toward Americans. The former are jealous of the enterprise and prosperity of the latter. This is in marked contrast with the sentiments and actions of the ruling elements in Costa Rica. There Americans are heartily welcomed. The Nicaraguans say that Americans come here, get rich in a few years, and then carry their wealth to the States. The fact is to the contrary; the Americans spend money liberally in improvements which add to the prosperity of the country.

\* \* \* \* \*

2. There are a large number of Americans in business—agricultural, mining, lumbering, and in commercial enterprises—who have acquired titles to lands. Many have expended large sums of money in improving and developing their lands.

\* \* \* \* \*

3. Substantially everybody—business men and laborers—in this reserve, use the English language and they know no other. The Nicaraguans insist that the Spanish language must be used in all business and public affairs, in the courts, etc. This would be a grievous hardship to the citizens.

4. It is proposed by the Nicaraguan Government here to sell to a company of favorites, partly composed of foreigners but not Americans, an exclusive concession for the navigation of this river of Bluefields, which stream has had free navigation always heretofore, and upon whose waters a commerce of several millions of dollars annually are carried, some twelve or fourteen ocean steamers going up as far as Rama—60 miles—per month, to gather bananas and other produce. To compel all these steamers now to pay a private company for the privilege of prosecuting the business which they have been many years in building up, by thus destroying the free navigation of this river—a river which has rightfully been as free as the ocean—would be an injustice, and would destroy the prosperity of the entire valley.

5. No American here has denied to Nicaragua the sovereign power over this territory, but they do believe they have a right to appeal to the Government of the United States with confidence that that Government will use its best offices with the Government of Nicaragua for the protection of their vested rights in this territory, and for securing to them a local government which shall protect them and their families in their persons and property.

6. The feeling between the natives and foreigners on the one hand, and the Nicaraguans on the other, is such, that until the Government of the United States shall secure from Nicaragua, by treaty or otherwise, the protection of the former in all their vested rights, an outbreak may be provoked by the insolence of Spanish officials at any time;

therefore, it will be necessary for a United States man-of-war to remain as close to this harbor as possible, until the two Governments come to an amicable understanding by which American residents will be protected.

7. The natives of every shade are in full accord with the Americans. The Nicaraguans, being of different blood, speaking a strange language, possessing radically different ideas of methods of government, \* \* \* can not assimilate with the English speaking people here—one or the other must remain dominant; the other will, either gradually or suddenly, get out.

8. Accompanying another brief dispatch, No. 262, of even date, I send several inclosures. For a history of events leading up to the present condition of affairs, I respectfully refer you to a paper furnished me by Judge J. O. Thomas, who was for many years a judge of the supreme court, as well as a member of the executive council of the reserve, which accompanies this marked inclosure No. 1; and for a succinct account of the recent happenings, I desire that the official dispatch to the Navy Department of Capt. J. C. Watson, U. S. S. *San Francisco*, dated April 16, and his dispatch to the same, dated April 28, be read in connection with this.

I have patiently verified every fact set forth in both these dispatches, but have not deemed it necessary to travel over the same ground in making my report to the State Department.

9. For a synopsis of the laws upon which the land titles in this reserve rest, I respectfully refer to inclosure No. 2, furnished me by the Messrs. Hodgson and Ingram. These gentlemen are all men of learning in the law, one of them has been a judge in the supreme court, and a land commissioner, another one clerk of that court, and the third a member of the executive council.

Inclosure No. 3 is a statement from the two chief officials of the Moravian mission in this territory.

I had conversations with these men, and I am impressed with their intelligence, sincerity, and with their extensive knowledge of the people—the natives of this country.

\* \* \* \* \*

I will remain here probably two weeks yet, leaving for Grey Town about the 13th of May. It is possible that I may be compelled to return via Colon, as the transportation on the San Juan River is of the most difficult character; but do not send mail to me at this point, as it can not reach me.

The special commissioner from Nicaragua, Mr. José Madriz, late minister of foreign affairs, returns to Managua by the first steamer, to present his report and recommendations to his Government.

The British minister, Mr. Gosling, arrived at Managua shortly after I left there.

Awaiting your instructions at Managua, I am, etc.,

LEWIS BAKER.

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[Inclosure 1 in No. 42.]

*Mr. Thomas to Mr. Baker.*

MOSQUITO RESERVATION,  
Bluefields, April 28, 1894.

HONORED SIR: It gives me pleasure to see you in Mosquito. The circumstances actuating your visit may not be a pleasant one, but as your calling will bring you on the platform to witness such occurrences

and events as the one now pending between the Mosquito Reservation and the Republic of Nicaragua, I am glad you have undertaken the long journey and have arrived here safe, where I sincerely hope you may be able to lift the curtain and see and hear for yourself.

I arrived here (I mean in Bluefields) in the month of September, 1859. I made this visit for the purpose of seeing the country and in prospecting its natural resources. I had some capital, and was willing to invest in any new country where I would have the prospect of locating and rising with the country, as it might be developed from time to time. After spending some money in prospecting the coast and the interior of the Mosquito country, I found, to my great satisfaction, that the lands were some of the best for the cultivation of the sugar cane, coffee, cocoa, anatto, rice, cotton, Jamaica ginger, cocoanuts, and all other tropical fruits, including the banana, which was just then finding its way into the United States markets at very remunerative figures.

I found that the forests abounded in mahogany, cedar, rosewood, pitch pine, and other hard woods of value. On the coast there was a good supply of turtle shell, hides, skins, canoes, cocoanuts, etc. I then turned my attention to the customs, laws, and government. Of course I knew the country was under the protection of England, and this, with what I had seen of the people, I was satisfied that such a people, with such a country, and with the aid of the inhabitants of the outside world, would in time rise to some significance. I also found that the two languages spoken were English and Mosquito, and, as English was the commercial language, that some day it would be the language of the land. But best of all, I observed, to my great joy, that the Protestant religion was the religion of the land, and that the good old English translation of the Bible was the principal book of the schools, and that the Mosquito children and all the other children were taught to read and write English. I felt myself and capital safe, and with all that I had seen was satisfied.

You will excuse me if I go over the historical events of this country by leaps and bounds, as it would take up too much time to speak of all in the past of this country's history from 1859 up to the present time.

You will remember that in 1860 Her Britannic Majesty's Government entered into treaty relations with the Republic of Nicaragua touching the Mosquito coast. This treaty, as you are well aware, is known as the treaty of Managua, which was ratified at London, 2d August, 1860. After the ratification of the treaty the then hereditary chief of Mosquito, George Augustus Frederick, at a public convention of the headmen of the Mosquitos, and of the mixed population on the 12th day of September, 1861, at Bluefields, Mosquito Reservation, addressed the audience in the following words (in Mosquito and then in English):

GENTLEMEN: I am happy to meet you, and trust that you will be satisfied that in calling you together I am acting for the best interests of the people who are now or may hereafter inhabit or become residents within the Mosquito Reservation. All communities of persons should have a definite and regular form of government, by which the interests of each and every person should be fully and legally protected in life, liberty, and property. Having lately made and entered into treaty engagements with the State of Nicaragua, through the good offices of Her Britannic Majesty's Government, wherein the extent of the reservation and the civil and political rights of all persons within the said reservation are defined, I am desirous of forming a government adapted to our wants. For that purpose I have called you together in public convention to assist me in thus forming a government, and I hope that those persons who shall be recommended by you and appointed by me as the members of the general council will enter upon their duties with a firm determination to act

in good faith and for the best interests of all. My wish and desire is to place the people residing upon the Mosquito Reservation—natives and foreigners—in the best possible condition as regards their present and future welfare, and you may depend that I shall be always ready to act with you for that purpose with the utmost good faith and sincerity, hoping by so doing to place our future government upon a firm and solid basis. And now, gentlemen, I am ready to appoint the council from and among those whom you may recommend to me for that purpose. I hope the appointment of the general council will give satisfaction to all and confidence for the future.

You will by this first convention perceive the drift of the government, and that this reservation or territory, as set apart by the several conditions of the aforesaid treaty, and as mapped out by Great Britain and Nicaragua, and particularly described by the two contracting parties from the Mosquito country, as a state of free men who are to govern themselves—not as an unsettled horde of wandering savages not yet formed into a civil society; not as a voluntary association of robbers or pirates; but as members of this country or state they were already accustomed to give to their sovereign a habitual obedience as their superior, and faithfully acknowledged the power vested in him.

The members of the Mosquito state had their fixed abode, and all who are acquainted with the history of America, and that of Mosquito, must admit that the Mosquito Indians, and all persons residing among them before the treaty of Managua, enjoyed, occupied, and governed a definite state belonging to them and exercising an internal as well as an external sovereignty, and were ever ready to punish evil and uphold good. The treaty stipulations, taking from the Mosquito country a large portion of territory and retaining to the Mosquitoes and all who may live among them a reservation conceding to them their right of self-government, made it incumbent on the Mosquito chief, his headmen, and all those that may live among them, to adopt a constitution.

This constitution was drawn up and adopted by the chief and vice-president and the members of the general council, and subsequently approved by both contracting parties. Up to this time there were no Spaniards within the Mosquito Reservation, to the exception of one man, a Colombian, who resided at the mouth of the river "Walpa Sixah," and having a Mosquito woman as his wife. The Spaniards were universally hated by the Indians, while the British and all other foreigners were loved and respected.

I am not aware if you are acquainted with the constitution of the Mosquito Reservation, and as you may not be posted, I take pleasure in copying for your consideration articles 1, 2, 3, 4. (See also 5, 6, 7, 8, 9, 10, 11, 12, 13, Mosquito Code, p. 12.)

ART. 1. The official name of the government shall be "The Municipal Authority for the Government of the Mosquito Reservation."

ART. 2. The boundaries of the said reservation are and shall be as fixed and set forth in the second article of the treaty of Managua, dated the 28th of January, 1860, as follows: (See article 2, treaty of Managua.)

ART. 3. The municipal authority shall be vested in and consist of the general council and an executive council.

ART. 4. That conformably with an act of the Mosquito council, dated October, 1846, entitled an act confirming the establishment of the laws of England as the same are now, or may hereafter be, known and acknowledged, shall be, and the same are hereby, made the laws of the municipal authority of the Mosquito Reservation, so far as the same can be made applicable to the present and future position, circumstances, and form of authority, and when the same shall not be inconsistent and at variance with the sovereignty of Nicaragua.

There are established within the Mosquito Reservation four courts: (1) the court of impeachment; (2) the supreme court; (3) the local magistrate's court; and (4) the court of arbitration. All these courts regulate the civil and criminal laws.

Grand juries are not considered necessary, therefore no grand jury is summoned or impaneled.

There is trial by jury in the supreme court, both criminal and civil. All trials of criminal cases are tried by a panel of six. The jurors are chosen from the most respectable citizens of the reservation, natives and foreigners. All persons accused of crime may at time of trial object to any juror whom he may not approve to sit on the trial; if so, another juror is called. As a rule all foreigners are tried having an equal number of foreigners and natives as jurors. In civil cases the same number of jurymen are impaneled. Defendants and plaintiffs have option to demand a special jury to try their causes if they deem it necessary, or, if agreeable to both parties, may desire the judges to settle the case without a jury. New trials are allowed in civil matters in the supreme court.

The supreme court possess the jurisdiction of a law and equity court. There may be appeals from the magistrate's court to the supreme court, but the decisions of the supreme court are final.

Both foreigners and natives are prompt to answer the call of the judges when summoned by the clerk of the supreme court for the trial of causes.

Although there are a great many strangers arriving within the past five years, yet it can not be said that crime is on the increase up to our last court.

To discard from your mind any prejudices that may be impressed on you by unprincipled newspaper writers, who would lead the public to believe that the government of the Mosquito Reservation is wrested from the Mosquitos by Jamaica negroes who are British subjects, etc., you will permit me to lay before you the names of the persons who represent the executive council of the Mosquito Reservation.

His Excellency Robert Henry Clarence, chief and president, native full-blooded Indian; Hon. Charles Patterson, vice-president, native of Pearl Lagoon, quadroon; Hon. J. W. Cuthbert, attorney-general, Jamaican mulatto, British subject; Hon. John Taylor, judge supreme court, native Corn Island, quadroon; Hon. Sa. Hodgson, judge supreme court, native of Bluefields, black; Hon. John O. Thomas, judge supreme court, Jamaican British subject, mulatto; J. W. Cuthbert, junior secretary, native of Pearl Lagoon, mulatto; J. S. Hodgson, native of Bluefields, mulatto; G. A. Hodgson, native of Bluefields, black; H. C. Ingram, native of Bluefields, mulatto; J. W. Howel, native of Bluefields, black; J. A. Peterson, American citizen, white; H. U. Hodgson, native Bluefields, mulatto; Benjamin Ellis, native of Pearl Lagoon, black; Edward McCray, native Rama Key, full-blooded Indian; Gus Daniel, native Rama Key, full-blooded Indian; David Benjamin, native Rama Key, full-blooded Indian.

There is also a general council of the above persons and twenty-eight Mosquito Indians, all of whom are chosen and elected by the Mosquito Indians and other persons who may live among them. The term of office is five years, when new elections take place at the expiration of the term.

You will now see by careful inquiry and by the above list that there are only two Jamaicans who are British subjects in the general and executive councils, and these two are J. W. Cuthbert and John O. Thomas.

After the ratification of the treaty of Managua "conflicting views on the proper interpretation of the treaty commenced between the two Governments, and Her Majesty's Government, finding it impossible to



reconcile the Government of the Republic," consented to allow the points at issue to be decided by arbitration. The Government of Nicaragua being willing, the Emperor of Austria was selected, and in 1881 the Emperor decided. It was in 1879 the questions in dispute were agreed upon by both Governments to be settled by arbitration. (See Award Emperor of Austria, pp. 11, 12, 13, 22, 23, 24, 25, 26, 27, 28, 29.) It is sad to say that before the arbitration was concluded—nay, just when it was about to be submitted—the then young chief, William Henry Clarence, the nephew of George Augustus Frederick, a young man, intelligent and bold, being well educated, and who would be a help to his country, was murdered in this town by a Nicaraguan Spaniard. This man was captured, tried, and, being condemned, was hung in Bluefields.

There have been two other chiefs, Hendy and Jonathan, who have died since W. H. Clarence, and the present young chief, Robert Henry Clarence, is the son of the murdered William H. Clarence.

Immediately after the arbitration the inhabitants of the reserve, feeling that the landbands of Nicaragua was somewhat weakened by the award of the Emperor of Austria, a new enterprise was started, and the long-cherished desire of tilling the soil came into operation by the cultivation of bananas.

We commenced in good faith under the conditions of the treaty of Managua to expend our capital, and invited foreign friends to take part, feeling assured that the lands were well adapted and that the markets of the Southern States being near at hand, we would be sure of success. Under the clear and strong conditions of the treaty, we invested our moneys and worked hard to carry out the new undertaking. In 1882 bananas was the theme, and the banks of the Bluefields River were made noisy by the ax of the woodman. Plantation after plantation sprung up, and in 1883 the planters were able to make a commencement in shipping about 2,500 bunches per month, or about 30,000 that year. Now, with all the disadvantages of a jealous and unscrupulous people, the reservation in about ten years has reached an exportation of millions of bunches of bananas that find a ready market in the United States.

This great success drew large capital and capitalists from the United States to come and settle in the reservation, and to-day, if it was not for the high-handed outrage committed by Carlos A. Lacayo, the said commissioner to the reservation, and one Rigoberto Cabezas, I am confident that hundreds of Americans and other foreigners would find their way to us, and the next year would have found us mounting the ladder, and, instead of ten or twelve steamships, as we now have here per month, the country would bring forth her extra millions of bunches of bananas, and our harbor, while capable of affording shelter for the extra ships, their return cargoes would gladden the hearts of our friends in the United States, and the merchant, the man, and the Government of the Mosquito Reservation would receive a fair share as compensation for the prosperity of the land.

Mr. Carlos A. Lacayo come to the Mosquito Reservation some time in the month of November. Shortly after his arrival Admiral Benham arrived in the *San Francisco*. Mr. Lacayo said he came to Mosquito as the commissioner to the reserve. He brought a letter from the governor of Grey Town, but showed no credentials from his Government or President. He was not officially acknowledged when the admiral arrived here, but the day on which the admiral was welcomed Lacayo

was also welcomed. Up to that time he had not shown his credentials, nor has he shown them to the chief yet.

Shortly after his arrival he affirmed that he came to incorporate the reservation, and this he made no secret of. In the month of January he got together a large body of soldiers, principally Honduraneans, a few Nicaraguans, and some Americans, and attempted to land arms and ammunition, and did land arms and ammunition. Mr. H. U. Hodgson, one of the magistrates, told him that he was wrong, and informed him that he could not allow it. The chief was then informed, and a few days after more troops came from Rama, and reports were all over town that Lacayo had said he was about to capture the town of Bluefields. The people became quite alarmed and excited, and appealed to the chief; the chief then protested and informed Lacayo that he could not allow the soldiers about town armed, as they were creating an excitement among the people, and that there may be trouble.

Lacayo then said that they were to be sent away for the coast of Honduras. They were sent away with the understanding that they were bound for Truxillo, but they never went further than the cape—many of the officers returning and leaving the men—the officers reporting that they had a great battle with a body of Honduran troops, which body were only a few Honduraneans. In the fight three of the Nicaraguan men were killed, but no Honduraneans, as both parties ran from each other.

On the return of the officers from Cape Gracias most of them left for the interior. Cabezas, who was thwarted in his attempt, threatened Lacayo, and then Lacayo, prompted by Cabezas, sent for the next lot of troops intentionally to invade the reservation and capture Bluefields. Lacayo, who can not keep his tongue, made this known to many persons, and it appears that it was known in Grey Town. On Friday the steamship *Miranda* arrived, bringing troops. The commissioner told a merchant that he had on board 250 men and a piece of artillery, and that if he was opposed in landing the men he would bombard the town. This news of the troops went like wildfire through the town, and much alarm was caused, Lacayo seeming to take pleasure to torture the weaker minds by his malicious reports of large numbers, etc. The chief, seeing the danger, called together his advisers, and we concluded to invite this commissioner and speak over the matter. Two gentlemen were sent to Mr. Lacayo, and soon after Lacayo and the gentlemen came up to the council chamber, and many questions were put to him touching the reported bombardment, his position as commissioner, etc. He replied in the affirmative or negative, as he deemed prudent—assured the chief that it was only on account of the Honduraneans that he had sent for the troops, so as to protect the inhabitants.

The chief, the commissioner, and members of the council then spoke over the future—the planting of coffee, cocoa, etc., in the reserve, and the benefits they would prove to the country. On leaving he asked for a copy of the questions. A copy was given at his request. He was not displeased, and the gentlemen went back with him to his residence. Later on in the day more reports sprung up and the people were excited. Some time after Lacayo sent a very insulting note to the chief. We then tried to quiet the fears of the people by giving them the best advice and assurances. They got somewhat assured with the hope that all would be well. Still, by what the chief had received and the threats which were told to some reliable persons who felt that evil was intended, we, too, felt alarmed. However, we could not show our anxieties, as we (I mean members of the council) were

aware that the people were watching us, and that the least show of excitement on our part may cause trouble. The troops, 160 men, were landed on the night of Friday, the 10th, shouting as they went along the streets, "Vive Nicaragua!"

On Saturday a delegation of Americans waited on the chief, warning him of the impending danger, stating that Lacayo is premeditating acts of violence, and if active measures were not taken that the inhabitants would suffer. We saw the truth in what our American friends asserted, as we ourselves were well informed, but we had concluded beforehand that the only safe and right step would be to keep the people quiet, come what may. All that we could gather was that in case of resistance there should be a general slaughter of natives and foreigners and the burning of the town. Seeing that we were placed in such a critical position, and that the women and children could not escape, and as we had so many strange women and children, as well as native women and children, within the town, we fully concluded that the great object was to save life, and to suffer insult rather than see one woman or one child murdered by the hands of so base a bandit and their more depraved leaders. We then used our best influence over the minds of the people, as we could perceive that the great object was to force them to rebellion, so that they (the Spaniards) may with force and cruelty exterminate the inhabitants, that they may occupy and plunder. On the night of Sunday, near the morning of Monday, the first attack was made. The inhabitants of the town were hushed in sleep when the premeditated crime was committed, and the last spark of manhood had left Lacayo. It was an inhuman crime committed by the commissioner when at midnight he turned out an armed force and compelled a quiet, peaceable, and defenseless people to surrender just rights—the very soldiers that Lacayo said were brought to protect lives and property, "as he was, or his Government was, responsible to other nations for the lives of their people."

These were the very unwashed and irresponsible men that were led against the town, and at midnight took the property of the people of the municipal government. These were the soldiers who were offered as bounty (should resistance be made by the inhabitants) to burn and sack the city of Bluefields. Early on Monday morning the people were here and there gathered, looking on in sadness, and these soldiers were pushing them off with the point of the bayonet, forcing them to resist so that they may accuse the peaceable people of rebellion; but we have much cause to thank Almighty God that the people took the advice given, and all natives and foreigners kept their hands from shedding human blood. For it was quite clear that if the first shot was fired, natives and foreigners would have made common cause to protect their wives and children. A large body of Spanish troops again arrived from Rama; this gave more cause to the soldiers to grow bold and insolent, and the captain of the band, Cabezas, tried his utmost to stir the people to revolt by surrounding the flagstaff of the Mosquito Government, and hoisted the Nicaraguan flag. Without necessity, and without authority, without any cause to suppress rebellion, but to gratify malice, and by tyranny and caprice, the commissioner, Carlos A. Lacayo, and his accessory, Cabezas, exercised over the peaceable and defenceless inhabitants of Bluefields a lawless violence by proclaiming martial law, and kept up day by day without necessity, so as to carry out and to coerce the Mosquito Government, and to serve their own malicious ends.

This state of things was imposed on the people with all its terrors of

the situation and made the more terrible by the insults of the half-clad and half-civilized soldiers who were anxious of a riot so that they may have an opportunity to plunder. During this time of unnecessary martial law the civil law was violated. A soldier, said to be a Colombian, was, on a simple cause of offense, flogged cruelly and died within thirty-six hours by the effects of the flogging and other cruelties. The wife of the British vice-consul was insulted; young girls who were on their way to school were insulted; Mr. J. P. Moody was insulted, assaulted, and plundered; the chief, Robert Henry Clarence, was twice attempted to be assassinated; Mr. G. S. Hodgson was arrested; Mr. S. A. Hodgson was arrested; H. U. Hodgson's life was sought, his house entered and robbed; an attempt was made on the person of J. W. Cuthbert. The taking possession and appropriating the guns of the police; bursting open the prison doors and letting loose on the community felons and other prisoners; staying the proceedings of the supreme court while in sitting; letting loose certain prisoners who were just sentenced, they being Nicaraguans, and the crimes being against American citizens; the taking charge of the Mosquito revenue and collecting and appropriating the same to their own use; the giving to the families of the reservation unnecessary sleepless nights and anxious days; the unnecessary causing, through fear, hundreds of women and children to sleep in the bushes without shelter; exposing infants and mothers to damp, dew, rain, and mud; causing some mothers to be sick, children to be sick, and some infants have sickened and died; the employing men during martial law to enter at midnight the homes of an already distressed and uneasy people with guns, bayonets, bowie knives, and revolvers, and, under the pretense of searching for arms, with the point of the bayonet, strive to ravish the women, and discharging their guns and revolvers at the men in their very homes, and wounding; and numberless other outrages and petty larcenies committed by the soldiers on the persons of private individuals under the plea of searching for arms—these were acts of Lacayo and Cabezas, and these were the soldiers they brought to protect the inhabitants from Honduran invaders. All this was done, and more sufferings were endured than can be here expressed against the inhabitants, unmercifully, by these malicious and cruel men.

While all this was going on, natives and foreigners were leaving the country by every available opportunity—some in such small vessels and in such numbers that should any accident happen, and having no boats to save life, all must have perished.

The situation day by day grew more alarming; persons who did not leave became very anxious for their families, as no one could tell what the next moment would bring forth. The fears, anxieties, wallings and pleadings of wives to their husbands caused men, fathers, and husbands to think, and many sleepless nights were spent in watching over the safety of our homes and families. Yet we hoped and hoped in God for help. We expected war ships, American and English. The American ship was sent for first by Americans, and being near, all here, natives and foreigners, looked with anxious hearts, but no ship. The British vice-consul and British subjects had appealed for help, but this being later on we could scarcely expect an early arrival; yet we did expect, as is the case with all anxious hearts. The British vice-consul, Mr. Hatch, and Consul Bingham seem to have worked nobly and energetically and humanely. While anxiously waiting to see the American ship, as we had seen by the papers that she was ordered down to these waters, you may very well picture the dismay of all suffering

hearts when the news reached us that the good old *Kearsarge* was wrecked on the Roncador. The Americans were much troubled, as many were feeling more and more the dishonorable actions of the Spaniards, and the situation was growing worse. At the loss of this ship the Spaniards grew bolder, while numbers of the inhabitants became more distressed; all believed that, irrespective of nationality, there would be shown to a suffering and peaceable people humanity.

All British subjects felt confident that the thing could not last long, and we cheered and comforted one and the other, knowing that Consul Bingham was always prompt, and that our noble Government would not, and never did, allow undue means to be exercised over her loyal and loving subjects longer than it could be helped. It was Sunday morning we saw the work of righteousness. Early in the morning of Sunday, the 25th of February, reports reached this town that a war ship was lying outside the bluff. All hearts felt joy, and you may fancy the shout that went up to heaven when the brave captain jumped from his cutter and landed safely in this town, leaving his boat with the British ensign gently floating in the wind at the stern of the cutter. Captain Howe walked up to the British vice-consul and, after a short interview with Vice-Consul Hatch, the captain left for the residence of the commissioner.

On his way back he was invited by the Americans at the American Club. After a short stay the captain left the club, and on the way back he heard a great noise; women and children were screaming, and the Nicaraguan soldiers and officers howling. This was brought about by the landing of the captain. A great many persons (for joy), men, women, and children were walking along in the rear of the two English officers. This annoyed the Nicaraguans, and seventy or eighty armed men were ordered to charge on them, and with loaded guns and fixed bayonets the soldiers charged the people while the officers flourished their loaded revolvers and whooped and yelled, "Vive Nicaragua! Vive Lacayo! Vive Castin!" Then the soldiers joined in, each trying to bawl louder than the other, shouting "Vive Nicaragua! Vive Lacayo!" pressing the bayonet on the bodies of the people while the officers brought their revolvers near to the heads and faces of the men. All this was done in the presence of the captain, who quietly remarked, "I see I am not an hour too soon." The first work of Captain Howe was to relieve the situation and to restore confidence by immediately having martial law to be taken off. This was just and right to all the citizens of the reservation, foreigners and natives, as there was no necessity, Lacayo, Cabezas, the soldiers and officers having revolted against the chief of the Mosquito Reservation and against "The municipal authority for the government of the Mosquito Reservation." It was Lacayo and Cabezas who rebelled, and the undue means used by them against the people of Bluefields in proclaiming martial law was an abuse of the power of the Commissioner Lacayo, who, to gratify malice, committed an act or acts of tyranny.

The names of Capt. A. G. C. Howe and Lieutenant Colmore will long be remembered by natives, Indians, Americans, and British subjects, who were eyewitnesses and sufferers together.

These kind and noble-hearted gentlemen worked hard, and that night and day, to restore order and confidence to every home and homestead, irrespective of nationality. Every precaution was used to protect life and property, and, although every order was carried out with boldness and firmness, yet all were tempered with the greatest kindness. Ladies and children soon felt it was good to indulge in the open air, and again

we commenced to see the smiles of our women and children. Fruit and flowers were lavished on the British blue-jackets in token of gratitude, and men, women, and children—natives, Americans, and British subjects—felt sorry when the gallant captain and his beloved lieutenant and the men of the *Cleopatra* left the shores of Bluefields and waved their last good-bye.

At present things seem quiet, but we know that there is a strong undercurrent, and should the war ships leave us, and leave us in the hands of Lacayo and all the unprincipled men who planned the revolt and the capture of Bluefields, it is beyond a doubt that as soon as such withdrawal is made the lives and property of the inhabitants will be sacrificed.

I would ask you to view the case in all its particulars. The Nicaraguans have no sympathy for the inhabitants of the Mosquito Reserve. They are jealous of the prosperity of the reserve. We do not speak the same language, we do not profess the same religion, and our institutions and laws and manners and customs are not agreeable to them, and their manner of life and mode of government are obnoxious to us; and both Indians and foreigners within the Mosquito Reservation are unwilling that these men shall have the rule over us. The acts of Lacayo as commissioner to the reserve show plainly that there is no honor, no truth, nor confidence in the Spanish element, and if left alone our lives and the lives of our families and our hard-earned properties will not be sacred in their hands.

I have the honor to be, your most obedient servant,

JOHN O. THOMAS.

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[Inclosure 2 in No. 42.]

*Mr. Ingram and others to Mr. Baker.*

BLUEFIELDS, April 28, 1894.

SIR: The right of Mosquito to dispose of her public lands by lease is indisputable, Mosquito having been a kingdom long before the treaty of Managua and under no other sovereignty; and Nicaragua in the said treaty of Managua of January, 1860, has recognized said right.

On the strength of said treaty the executive council on October 24, 1863, according to the Mosquito Code (p. 21, secs. 1 to 4), enacted laws for the disposition of public lands as follows:

AN ACT entitled "An act regulating the occupation and use of the public lands of the Mosquito Reservation and to regulate and dispose of the natural production thereof."

COUNCIL CHAMBER, Bluefields, Oct. 24, 1863.

SEC. 1. *Be it enacted by the Executive Council in session assembled*, That a public land office be established, and that from the first day of November, 1863, a land commission of three persons shall be appointed to take charge of the public lands and the disposition of the natural productions thereof.

SEC. 2. Their power and duties shall be as follows, viz: They shall have the right to let and lease the public lands, and to regulate the sale and disposition of its natural productions, and for the benefit of the Mosquito Reservation under the seal of the Government on such terms as they, the commissioners, shall deem most advantageous to the interests of the Mosquito Reservation.

SEC. 3. That said commissioners shall keep a record book, in which every act and thing done by them shall be recorded, and said record book shall each and every year hereafter be presented to the executive council at its regular session.

SEC. 4. That said land commissioners shall be appointed every year by the executive council in session assembled.

The council thereupon proceeded to elect commissioners for the year 1864, and did then and there appoint three commissioners. The commissioners were instructed.

ted by the council that all persons applying for the occupation and use of the public lands and the productions thereof shall each and every of them take an oath of obedience to the constitution, laws, and regulations of the Mosquito Reservation.

#### FORM OF OATH.

I, the undersigned, do declare on oath that I will faithfully fulfill the duties of a citizen resident of the Mosquito Reservation, and so long as I may reside within its limits submit to, abide by, and obey the constitution, laws, and regulations of the municipal authority of the Mosquito Reservation. So help me God.

The council further instructed the commissioners that all leases or permits granted in regard to the public lands or its natural productions, shall be of one form, and that leases or permits shall contain the names of the commissioners and the names of the person or persons applying, shall have a consideration named, and a specified time fixed for carrying into effect its conditions.

HENRY PATTERSON,  
*Vice-President.*

J. H. HOOKER,  
*Secretary.*

In conformity with the above law, all leases have been granted for a term of fifty years, with the privilege of renewal at the expiration thereof for fifty years more.

The validity of the leases, so far as Nicaragua is concerned, has been acknowledged by her former commissioner, Gen. Ysidro Urtecho, who applied for, and obtained by lease, the premises now occupied by the present commissioner, and never objected to any leases made by the Mosquito Government.

No restrictions can be placed by Nicaragua regarding the disposition of public lands in the reserve as long as they are not ceding it to any foreign person or state. The Managua treaty, Article II, states as follows:

But the district thus assigned to the Mosquito Indians may not be ceded by them to any foreign person or state, but shall be and remain under the sovereignty of the Republic of Nicaragua.

The relative position of Mosquito to Nicaragua is that of a coexisting sovereignty, as demonstrated by the flag of Mosquito, and which has been clearly set forth in the treaty of Managua, Article III, and the award of His Imperial Majesty, the Emperor of Austria, in his arbitration of certain questions relative to the affairs of Mosquito.

The decision of the Emperor has been accepted by Nicaragua but never acted upon fully, and the present occupation of the Mosquito Reserve by the Nicaraguan commissioner and his employees, demonstrates the fact that the solemn engagements of that Republic can be wilfully violated by them at pleasure.

To-day Mosquito is regarded either as the prey or the enemy of Nicaragua, by said Government, and it is only the presence of either British or American war ships that guarantees protection of our lives.

We are confident that the British Government will insist on the fulfillment of the above quoted treaty stipulations.

Although having heard to the contrary from those interested in our downfall, we are confident that the United States of America, for the sake of liberty, as well as for the interests of her citizens residing and doing business in this country, will use every means in her power to assist in bringing this matter of ours to a satisfactory termination.

H. C. INGRAM.  
S. A. HODGSON.  
GEORGE S. HODGSON.

[Inclosure 3 in No. 42.]

*Officers of Moravian Mission to Mr. Baker.*

BLUEFIELDS, April 30, 1894.

SIR: We, the undersigned, being called upon to give our personal opinion with regard to the present state of affairs in the Mosquito Reservation, and with regard to the future prospects of the same, beg leave to state that we do so somewhat reluctantly, as our missionary calling forbids us to have any dealings with politics.

The Evangelical Church of the United Brethren, commonly called the "Moravian Church," has carried on mission work in this country for these forty-five years. The Moravian Mission on this coast comprises at present 13 congregations, numbering 5,500 souls—75 per cent Indians, 25 per cent colored people—whilst 700 children are being taught in 15 schools, 14 of which are elementary schools, one a higher school for advanced pupils.

This work is carried on by 15 ordained missionaries (12 of whom are Europeans, 3 colored), 2 lay missionaries, and 7 teachers, at an annual cost of \$14,000, one-half of which is raised here.

With regard to this work we beg to state that if Great Britain, under whose protection our work was inaugurated, does not uphold the treaty of Managua, we should feel very unsafe indeed, as in our opinion the Anglo-Saxon language, religion, Sunday observance, enterprise, and commerce would be crushed out before long, and become a thing of the past.

The number of our church members would also be very seriously affected by such a change of government, there being but one voice among the colored population, to the effect that they would not be able to live under Nicaraguan rule, and therefore would rather emigrate—a considerable number having already taken steps in this direction.

The Indians are of the same opinion concerning a Nicaraguan rule, but as they are of a more phlegmatic disposition they would probably not emigrate. It is our opinion that they would have to expect very little encouragement and receive very little benefit from the hands of a Nicaraguan government; moreover, that such a change would result in hastening the extermination of the Indian race, while at the present time the Indians have been on the way to improvement.

Submitting this, our humble personal opinion, to your judgment,

We remain, most honorable sir, yours, very respectfully,

W. SIFBORGER,  
*Superintendent.*

H. BERKENHAGEN,  
*Warden of the Moravian Mission on the Mosquito Coast.*

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No. 43.

*Mr. Guzman to Mr. Gresham.*

LEGATION OF THE REPUBLIC OF NICARAGUA,  
Washington, May 10, 1894.

SIR: Pursuant to the conversation I had with your excellency on the 7th instant, I have sent to the President of Nicaragua a cablegram in which I state that the Government of the United States would



be pleased to see that the utmost harmony may prevail between Nicaragua and the canal company, and that it would be much gratified if all proceedings against the said company were revoked.

I reiterate, etc.,

H. GUZMAN.

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No. 44.

*Mr. Baker to Mr. Gresham.*

UNITED STATES LEGATION,  
BLUEFIELDS, MOSQUITO RESERVATION,  
*Nicaragua, May 10, 1894. (Received May 21.)*

SIR: In a protracted conversation, lasting from 2.15 to 5 o'clock, on Saturday, May 5, with Mr. José Madriz, Nicaraguan minister of foreign affairs and special commissioner to this reserve, the following historical facts were agreed upon:

Gen. Carlos A. Lacayo was commissioned by the President of Nicaragua in November, 1893, as commissioner to the Mosquito Reservation, as provided in the treaty of Managua of 1860. His instructions were to assert Nicaragua's sovereignty over this territory, and to take such steps as would finally bring about a complete incorporation of the reserve into Nicaragua and the extension of her laws and language over it. He was instructed to bring this about, if possible, by diplomatic methods.

General Lacayo was accompanied by a military official, General Cabezas, who was designated as "inspector-general of the coast," an office not known to the Mosquito Government nor provided for by the treaty of Managua.

On the arrival of General Lacayo at Bluefields, he recognized the Mosquito Government then existing, with its chief, its executive council of seventeen, its council of thirty-six headmen (all Indians), and all its public officials.

General Lacayo set on foot negotiations with these officials for their abdication and the turning over of the local government to him. He tendered to the chief, Robert Henry Clarence, a commission as brigadier-general in the Nicaraguan army, with a pledge that his salary as such military officer should be the same as his present salary as chief of this nation and that it should continue for life. He offered to pension the attorney general, Mr. J. W. Cuthbert, and the vice-president, Mr. C. Patterson, besides agreeing to secure to them good titles and the unmolested possession of all the lands and property which they owned. He also opened negotiations of a similar character with individual headmen, with a view of gaining their adhesion to the cause of Nicaragua, but, Mr. Madriz acknowledged, with no success.

For a space of between two and three months, while these negotiations were going on, General Lacayo recognized the official authority of Chief Clarence, his executive council, and the officers of the Mosquito Government.

General Lacayo, having failed in his diplomatic efforts to get possession of this reserve, concluded to charge this failure up to the American business men of this territory. He charged the Americans with being inimical to the interests of Nicaragua, in that they have caused

the Indians to withhold their consent to the extension of Nicaraguan rule over the reserve.

(I will remark, by way of parenthesis, that I have found no evidence that Americans have tampered with or attempted to influence the Indian headmen in the premises. I find the fact to be that the sentiment of the residents—Indians, creoles, negroes, and Americans—is unanimous in opposition to the extension of Spanish rule over this territory. No headman, no executive councilman, no chief, would entertain an idea of voting to amalgamate with the Spaniards in the sense of permitting them to extend their military rule over their people.)

General Lacayo, having failed in his diplomatic efforts, communicated with the President at Managua, and recommended that troops in goodly numbers be placed at the disposal of General Cabezas and himself, on the claim that the chief and his council were disloyal to the sovereign Government of Nicaragua. The call was responded to, and troops were sent. This city (Bluefields) was occupied by an armed force; the executive council was dispersed; the public offices were occupied by armed soldiers; the archives, books, records, and papers of the Mosquito Government were taken violent possession of and removed to General Lacayo's military headquarters, and the prison doors were thrown open, and all criminals were set at liberty. Martial law was proclaimed by General Cabezas throughout the reserve, and the territory declared to be in a state of siege. Military governors, with extraordinary powers, were placed over every town and hamlet; new taxes were imposed; new regulations of commerce and trade were established. Government was by "decree," and not by legislative enactment. While General Lacayo was laboring under the impression that his failure to induce the members of the Mosquito Government to abdicate their official positions in favor of Nicaragua was chargeable to the negative influence of Americans, he inconsiderately, as Mr. Madriz admitted, recommended the President to withdraw Consul Braida's exequatur.

In discussing the murder of William Wilson, an American citizen, by Norberto Argüello, the military governor of Rama, Mr. Madriz expressed his deep regret that such an event should have happened at that particular time, especially as it gave rise to much ugly talk as to threats made by Spaniards against the lives and property of Americans. In this connection, Mr. Madriz admitted that Argüello's successor as military governor of Rama, Francisco Torres, had not obeyed his most definite instructions to keep his prisoner closely confined in prison—that Torres had permitted him to go at large, thus treating his orders with contempt. Therefore, Mr. Madriz assured me, he had suspended Torres from office, and had appointed in his stead a Dr. Barberena, a young physician who was educated in Philadelphia, who had traveled some and talks English well. Torres, although appointed to govern an English-speaking town, could speak no English.

In many conversations with Mr. Madriz I have represented to him the condition of unrest and nervousness created and continued by the almost constant parading on the streets of armed soldiers, and the sound at many hours during the day and night of the bugle and the drum. I earnestly protested against the necessity of armed soldiers in Bluefields.

I stated to him the devotion of the people of the United States to the principles of civil rule, the superiority of the civil authorities over the military; and I stated to him the repugnance our people felt toward being governed by the bayonet, by military satraps, by "decrees" of

petty and usually ignorant "governors" who were imported from another section of country, were of another race, and spoke to them in a strange language. Mr. Madriz acknowledged the force of my remarks, and on the occasion of this last conversation promised to remove, on the following Monday, May 7, all of the soldiers from Bluefields, sending about 250 of them up the river and to the interior, and the remaining 50 to the "bluff," which commands the approach to the town. This has been done. Our military governor, a "general" in the Nicaraguan army, is still with us. Personally, this governor is a clever man, a Hollander, and speaks English; but "governors" of towns are changed with much frequency.

On Monday, May 7, I went to Pearl Lagoon, to which place Chief Clarence and his two most intimate advisers, Messrs. Cuthbert and Patterson, retired after the assault on Bluefields on the night of February 11. I spent several hours in conversation with the three men named; I related to them the historical facts agreed upon by Mr. Madriz in his conversation with me on the 5th instant, and these men corroborated the same facts, adding many others which will be made the subject of another communication.

All three of these men were alarmed for the personal safety of Chief Clarence, and each gave some evidence to justify his fears. On report of this portion of our interview to Capt. A. C. Clarke, commander of H. B. M. S. *Magicienne*, now lying off Bluefields, he came to see me yesterday.

The result of the conference was his conclusion to go to Pearl Lagoon, invite the chief to come down with him to Bluefields, where he would place the former under the protection of General Lacayo and would hold the latter responsible for his safety. In pursuance of this conclusion, Captain Clarke has gone with his ship to Pearl Lagoon for the purpose of bringing the chief down. It will be borne in mind that the father of the present chief, while serving in the same capacity, was poisoned, and that a Nicaraguan Spaniard was convicted and executed for the commission of the crime. That event occurred at the time of a somewhat similar effort of Nicaragua to capture and appropriate this reserve.

Referring again to my conversation with Minister Madriz, he stated to me in the most unequivocal and positive terms that Norberto Argüello, the murderer of Wilson, would be kept in close confinement in this town until the time arrived for his trial. Then he would be given a fair trial, and if found guilty of the crime charged would certainly be punished according to law.

On Saturday, the 5th instant, at the very hour Mr. Madriz and I were in conference, General Lacayo was at the prison engaged in taking what he was pleased to term Argüello's "aute-mortem statement." In this "statement" Argüello claimed that in the murder of Wilson he acted in self defense.

Mr. Madriz left Bluefields on the evening of the 7th instant for Managua, and on the afternoon of the 9th the doors of the prison were left open and Argüello deliberately walked out in the full sunlight. The woman with whom he had been cohabiting before and since the murder, had been with him at the prison the most of the day, and he was apparently in her charge. At the time he left the prison she was not with him, having gone before to arrange for his safety should an effort be made by Americans to recapture him. While the American citizens were highly and justly indignant, I believe no effort, either by the authorities or by volunteers, was made to bring him back. Americans

naturally argued that any imprisonment or trial by the Nicaraguan authorities would be a farce, judging by the whole conduct of the officials since the night of the murder.

My conclusions, drawn from an industrious and patient investigation occupying more than two weeks, of the facts connected with the overthrow of the Mosquito Government and of the sentiments of the people of this reserve, are:

(1) The present provisional Government imposed upon this people by the Nicaraguan authorities, in copartnership with Her Britannic Majesty's consul, H. F. Bingham, is a bold usurpation, and does not rest upon the consent of 1 per cent of the people governed by it.

(2) The old Mosquito Government, which existed long before Nicaragua had an existence as an independent State, and which continued to exist up to the night of the 11th of February last, was overthrown by armed violence.

(3) That fully 90 per cent (and probably this figure should be made 95) of all the wealth, the enterprise, and the commerce of this reserve is American. The trade is wholly with the United States, almost all the commerce is carried by American ships, and the business is transacted by Americans. Neither the English nor the citizens of any other nation have any important business interests within the reserve.

(4) The extension of the Spanish revolutionary rule over this reserve will inevitably crush out and drive from these lands the whole of this present business prosperity, and this contented and industrious population will go with it.

I am, etc.,

LEWIS BAKER.

No 45.

*Mr. Baker to Mr. Gresham.*

UNITED STATES LEGATION,  
*Bluefields, May 11, 1894. (Received May 21, 1894.)*

SIR: I desire to submit to you a letter from Gen. C. A. Lacayo in regard to the escape from prison in this city of Norberto Argüello, who rests under the charge of deliberately murdering an American citizen named William Wilson, at Rama, on the night of the 22d of March last. I also submit three affidavits made by three reputable young men personally known to me, going to show that on the day the prisoner walked away from the jail, he was seen both in the forenoon and the afternoon lounging outside of the jail unguarded. His cell door was open on the two occasions referred to, as was the outside door of the jail, and the prisoner went and came at his pleasure. A woman, known as his mistress, had been permitted to come and go with perfect freedom, and she had, it is stated to me on good authority, been with him for the past several days. This last fact was admitted last evening by General Lacayo, and in the same conversation he stated that she had \$300 or \$400, and had undoubtedly bribed the jailor to allow him to escape.

\* \* \* \* \*

I now most respectfully submit that the dignity of the United States makes it incumbent upon the Government to demand in unequivocal terms the removal of General Lacayo from this post.

I am, etc.,

LEWIS BAKER.

[Inclosure in No. 45—Translation.]

*General Lacayo to Mr. Baker.*BLUEFIELDS, *May 10, 1894.*

HONORABLE MINISTER: Last night, between 7 and 8 o'clock, I was very disagreeably surprised by receiving notice of the escape of two prisoners from the jail of the city; and inquiring who they were, was informed that one of them was Norberto Argüello, accused of the murder of the American, William Wilson.

This incident is very disagreeable to me, as I gave very explicit orders to the governor of police of this town to keep the criminal in close confinement.

This employee assures me that the orders he gave the jailer could not be more clear. Immediately on receiving this information I called the governor of police with the object of employing all necessary activity for the capture of Argüello, and to return him to jail. There are enough people assisting the police to capture the criminal by guarding the various points in the bush and the outlets close to the city, and to intercept his passage to another point.

Besides, I have written to the authorities of the Republic in the interior, so that the criminal will be captured wherever found.

In this incident I have fears that there is a hidden hand, an enemy of Nicaragua, lent as an instrument to raise difficulties with a friendly Government.

You must believe me, and in the name of my Government I promise that Argüello will be tried according to our laws and in accordance to justice.

The case was following its course. The criminal has been examined, and after his confession of faults, and on Friday, the 11th instant, was to have been taken to Rama for final trial before a tribunal of justice.

With my highest considerations, I have the honor to sign myself,

CARLOS A. LACAYO.

No. 46.

*Mr. Gresham to Mr. Baker.*DEPARTMENT OF STATE,  
*Washington, May 12, 1894.*

SIR: Instructions were addressed to you on the 26th ultimo, at Bluefields, directing you to investigate the killing of William Wilson by the Nicaraguan acting governor of Rama on the 22d of March last, and to secure, if possible, the arrest and trial of his slayer.

Since then the report of Captain Watson, of the *San Francisco*, on the same subject, has been received, as also your dispatch of May 2, on the general situation at Bluefields, in which reference is made to the Wilson murder.

As it appears from your dispatch to be doubtful whether, in view of the irregularity of mail communications with Bluefields, you will have then received my instructions of the 26th ultimo, I send you a duplicate copy thereof.

Captain Watson's report, and the evidence in the case, leave no doubt that Wilson was shot by the acting governor of Rama, Norberto

Argüello without provocation; that Noyles, one of his policemen, was accessory to the murder and was himself only prevented from actually dispatching Wilson by the snapping of his cartridge; that the dying man was most harshly treated by his unfeeling jailers; and that the promises of the superior agents of Nicaragua touching the arrest and punishment of the murderer have not been kept.

Notwithstanding these specific orders stated to have been given by Senor Madriz to Governor Torres, of Rama, to arrest Argüello and hold him for trial, the governor has permitted the murderer to go at large. It is notorious and uncontradicted that Argüello has been at liberty in the town of Bluefields under circumstances which establish the culpability of Governor Torres in sheltering him from the consequences of his crime, and emphasize the indifference of the superior Nicaraguan agents to their plain duty in the matter. More than this, Governor Torres has replaced Argüello's accomplice, Noyles, in active police service, he having been, as you report, promoted to the position of chief of police of the town of Rama.

The whole business is marked by such contempt for the most obvious dictates of justice, and such disregard of the simplest obligations of international duty as to call for urgent and solemn protest on the part of this Government.

I am directed by the President to instruct you to demand that the Government of Nicaragua shall manifest its disapproval of the conduct of its officers in terms admitting of no misapprehension. You will ask that the culprit, Argüello, be brought to immediate trial, that his protector, Governor Torres, be dismissed from office, that the murderer's accomplice, Noyles, be dealt with according to his deserts, and that besides the atonement so to be made by the Government of Nicaragua for the action of its agents in this case, it shall adopt such measures as will leave no doubt of its sincere purpose and ability to protect the lives and interests of the peaceable citizens of the United States dwelling in the reservation, and to punish crimes committed against them.

Captain Watson's report shows that he fully understands his duty in the premises and is prepared to perform it. Your course in fulfillment of this instruction should make it clear that you, as well as Captain Watson, are obeying the instructions of this Government.

I am, etc.,

W. Q. GRESHAM.

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No. 47.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE,  
Washington, May 12, 1894.

SIR: I note what you say in your report of the Mosquito situation, dated the 2d instant, concerning the revocation of Consul Braida's exequatur.

The Nicaraguan minister has advised me of its temporary renewal along with that of his British colleague, Mr. Bingham.

I am disposed to await the result of the formal inquiry which my instruction of the 26th ultimo, directed you to make, and meanwhile I am reluctant to attribute to the course taken by Nicaragua the biased motives you apprehend, and am content to suspend judgment until the full facts shall be elicited.

I am, etc.,

W. Q. GRESHAM.

No. 48.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE,  
*Washington, May 12, 1894.*

SIR: I have received your report in regard to the situation at Bluefields of May 2.

The matter is under careful consideration, and in due time you will be fully instructed. Meanwhile you should take care to say nothing tending to disparage Nicaragua's rightful claim to paramount sovereignty or to encourage pretensions to autonomous rights inconsistent therewith.

I am, sir, etc.,

W. Q. GRESHAM.

No. 49.

*Mr. Uhl to Mr. Baker.*

DEPARTMENT OF STATE,  
*Washington, May 14, 1894.*

SIR: \* \* \* The additional affidavits you submit abundantly confirm the Department's judgment upon the evidence previously reported, and establish the justice of the demands in every particular, which Mr. Gresham's instruction of the 12th instant, directed you to make. You now state that you have "a pledge that the petty military governor of Rama shall be deprived of his office."

It will be gratifying to learn that this pledge had been fulfilled in advance of the reasonable demand you were instructed to make, and it is confidently expected that the further assurance given you of the prompt trial of the guilty parties and their consequent punishment upon conviction will be faithfully observed.

Adding that the views and wishes of this Government in relation to this aggravated case may be best made known by reading to the minister for foreign affairs Mr. Gresham's instruction of the 12th instant, furnishing him with a copy thereof, and that it is assumed you will have followed the usual course,

I am, etc.,

EDWIN F. UHL.

No. 50.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, May 21, 1894. (Received June 12.)*

SIR: It is a pleasure to be able to announce my safe return to the legation from my visit to the Mosquito Reservation, which visit was of exactly one month's duration.

On arrival at this place I promptly called upon the President to discuss the condition of affairs in the reserve and to bring to his immediate attention the grievances of my Government in the Braida and the Wilson cases.

There were present at this conference the vice-president and minister

of war, General Ortiz; the minister for foreign affairs and special commissioner to the reserve, Hon. Jose Madriz, in addition to the President and myself.

At this conference I was assured by all three of the gentlemen named, and in the most earnest manner, that no effort would be spared to recapture the culprit Argüello. I was told, also, that Argüello's trial would not be postponed on account of his escape, but that he would be cited to appear in court, and that a most searching investigation would be made of the whole criminal affair, and that then, when caught, he should be adequately punished.

I was also privately assured by the President, in the most positive terms, that he would remove Commissioner Lacayo for his part in this affair, and for other reasons, in response to my numerous complaints of his arbitrary, unlawful, and insulting course toward American citizens.

I have, etc.,

LEWIS BAKER.

No. 51.

*Mr. Uhl to Mr. Baker.*

[Telegram.]

WASHINGTON, May 22, 1894.

Your dispatch and Watson's report prove culpable responsibility for Argüello's escape. Ask instant effective rebuke and redress. Instruction mailed 12th to demand Torres's removal. Lacayo's culpability appears even greater because more directly responsible.

No. 52.

*Mr. Bayard to Mr. Gresham.*

[Telegram.]

LONDON, May 22, 1894.

Had an interview with Lord Kimberley to-day, who stated no intention or desire of Great Britain to exercise protectorate in any form over any portion of Nicaraguan territory, but to act thoroughly in concert with the United States, who were better judges of what ought to be done there than the British Government for maintaining safety of the citizens and property of both countries, continuing our treaty of 1850 in unbroken force and effect. British consul acted without instructions in making provisional agreement in March, under apprehended danger to life and property. British Government anxious for consultation with the Government of the United States to guard against apprehended Nicaraguan violence to American and British interests. British ambassador at Washington instructed to that effect.



No. 53.

*Mr. Uhl to Mr. Baker.*DEPARTMENT OF STATE,  
*Washington, May 23, 1894.*

SIR: Yours of the 11th instant, has been received. It reports the escape of Norberto Argüello, the murderer of William Wilson, under circumstances conclusively showing that the assurances given to you that the criminal would be imprisoned and duly brought to justice were unsubstantial, and that the negligence whereby the superior authority at Bluefields permitted his escape was no less culpable than the protection openly given to the accused by the governor at Rama. Indeed, the responsibility of the commissioner at Bluefields was greater, in view of the previous action of his subordinates and the solemn obligation he took upon himself in the name of the Nicaraguan Government to prevent any such failure of justice as Governor Torres had helped to bring about.

A telegram received from Captain Watson on the 18th instant via New Orleans, confirms your statements touching the positive culpability of the Nicaraguan commissioner in connection with Argüello's escape.

Mr. Gresham's instruction of the 12th instant, directed you to make appropriate demand for the removal of Governor Torres, the trial of Argüello, and the adoption of effective steps to protect American life and property. The course of Argüello's immediate protector, Torres, deserving as it is of unmistakable rebuke, is almost dwarfed by the astounding negligence of Commissioner Lacayo, whose duty in the premises was as imperative as his pledges to perform it were positive.

Senor Lacayo's excuse that the escape of Argüello may be the work of "some hidden enemy of Nicaragua, serving as an instrument to excite difficulties with a friendly Government" is puerile in the extreme. His powers and authority were ample to prevent the freedom which, as the affidavits sent by you demonstrate, Argüello was enjoying in the open view of any person passing by the jail. That this notorious state of things could exist without Senor Lacayo's knowledge is inconceivable, except as the assumption that his incompetence for the high trust he holds is even greater than his wanton neglect of obvious duty.

It is expected that the immediate displeasure of the Nicaraguan Government will be signally visited upon this officer. The assurances you have already received of the disposition of the Government of Nicaragua toward the similarly incompetent and culpable governor of Rama should be a guarantee of the prompt suspension and removal of Commissioner Lacayo.

The obligation of Nicaragua to put forth every possible effort to recapture Argüello and bring him to justice is clear, and you will ask that this be done, including the usual resort to proceedings of extradition, should he have fled to another country.

I sent you a telegram on the 22d instant, instructing you that culpable responsibility for Argüello's escape is clearly shown by your dispatch and Captain Watson's report, and to ask redress and immediate effective rebuke to those blameworthy; that Lacayo, having been more directly responsible, his culpability appears even greater than that of Torres, whose removal you were directed to demand in an instruction of the 12th instant.

You may read this instruction to the minister for foreign affairs, and you may add that the Government of the United States, which on so

many occasions has given proof of its regard for Nicaraguan rights, especially in connection with this very question of the Mosquito territory, can look for nothing less than equally considerate and friendly treatment on the part of Nicaragua, and confidently expects that speedy action will be taken, in the interest of mutual good understanding, to remedy and punish this extraordinary action of its dependent officers.

I am, etc.,

EDWIN F. UHL.

No. 54.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, May 24, 1894.* (Received June 12, 1894.)

SIR: Your dispatch dated April 26, in regard to the insecure manner in which Norberto Argüello was imprisoned, was awaiting my return from Bluefields. I at once addressed to the Government of Nicaragua the inclosed note, to which a verbal statement was made, that a complete answer would be furnished me in writing within a short time. I have patiently waited until this moment for that promised explanation, now nearly four days, without realizing the fruits of that promise. Not having received the answer, I dispatched to the palace another communication, numbered inclosure 2 of this date.

I have, etc.,

LEWIS BAKER.

[Inclosure 1 in No. 54.]

*Mr. Baker to the Minister of Foreign Affairs.*

LEGATION OF THE UNITED STATES,  
*Managua, May 21, 1894.*

MR. MINISTER: On my return from the Mosquito Reservation I find instructions from the United States Government awaiting me in regard to the treatment which has been accorded by the Nicaraguan officials to Don Norberto Argüello, the murderer of William Wilson, at Rama, at a time when said Argüello was acting as an official of your Government. These instructions contain a review of the case, and close with the following paragraph:

This incident, which has naturally produced a most painful impression, calls for prompt and energetic action on the part of the authorities to secure the apprehension and trial of Argüello. You will express the President's earnest hope that full justice shall be done.

It is my duty to ask from your Government an early official statement as to what steps have been taken for the apprehension and bringing to trial of the man who, at latest accounts received by me, was still at large, having walked out of the prison, whose doors were open and unguarded, on the evening of May 10.

Embracing this opportunity to renew to you, Mr. Minister, my high consideration and regard,

I am, etc.,

LEWIS BAKER.

[Inclosure 2 in No. 54.]

*Mr. Baker to the Minister of Foreign Affairs.*LEGATION OF THE UNITED STATES,  
*Managua, May 24, 1894.*

MR. MINISTER: In a personal interview on the 21st instant with His Excellency the President, I was assured of his purpose to do what laid in his power and in the power of his Government to recapture and properly punish the escaped prisoner Argüello, who, while a public officer of Nicaragua, shot down and murdered an American citizen, William Wilson by name. In the same conversation, in order to show the friendship of this Government for its good friend, the United States, he announced his purpose of punishing the culpable officer through whose lax administration, if not actual connivance, the prisoner was allowed to walk out of an unguarded jail.

I have waited with much patience until this time for an announcement of the fulfillment of this purpose. Having heard nothing further from his excellency on the subject, I now must carry out my imperative cable instructions from the President of the United States, in "asking instant and effective redress;" and "to demand the immediate removal of Governor Torres," whose failure to obey the instructions of his superior officers in regard to the confinement of the prisoner was a scandal to your own Government and an insult to mine, and "the removal from the office of commissioner to the Mosquito Reservation of Carlos A. Lacayo," who is held by the President "to be even more culpable than Torres."

I have, etc.,

LEWIS BAKER.

No. 55.

*Mr. Baker to Mr. Gresham.*LEGATION OF THE UNITED STATES,  
*Managua, May 28, 1894. (Received June 12.)*

SIR: This Government has officially notified me that, responding to the desire of the Government of the United States, they have removed Governor Torres from the office which he occupied at Rama.

I have also been assured in two separate personal interviews with the President that Commissioner Lacayo's removal had been fully determined upon, and that the delay was occasioned only on account of the difficulty of securing as his successor a man possessing the necessary qualities for the position, and one who would be likely to make himself fully acceptable to the American residents of the Reserve.

I have, etc.,

LEWIS BAKER.

No. 56.

*Mr. Bayard to Mr. Gresham.*EMBASSY OF THE UNITED STATES,  
*London, May 28, 1894. (Received June 7.)*

SIR: On the 9th instant I had the honor to receive your instruction dated April 30, in relation to the incident at Bluefields, transmitting the report of Captain Watson, commanding U. S. S. *San Francisco*, to

the Secretary of the Navy, dated April 16, and accompanied by copies of sundry proclamations and documents issued at Bluefields variously during the period covered by the report.

With the foregoing papers I also beg to acknowledge the précis of the documentary history of the events at Bluefields, now under consideration, which had been prepared at the State Department, and styled "Mosquito Territory, course of events, 1894."

\* \* \* \* \*

When Lord Kimberly returned to London on Tuesday, the 22d instant, he promptly accorded me an interview, which was one of frank and friendly interchange of views in relation to the Bluefields incident, and the position occupied by Her Majesty's Government in relation to Nicaragua and the Mosquito Reservation.

On leaving the foreign office I telegraphed you the purport of all that he said, and of that telegram I have now the honor to inclose herewith a deciphered copy.

Lord Kimberly gave me clearly to understand that Great Britain was contemplating no extension of her influence in Nicaraguan territory nor any violation whatever of the Clayton-Bulwer treaty of 1850, which his Government continues to recognize as extant and in full force.

I pointed out to him the changes wrought by the lapse of time and progress of immigration into Bluefields and Nicaragua since that treaty was made, under which a new population had gathered there, composed of Americans, English, Germans, Jamaica negroes, and others who, and whose property interests, were not in existence in January, 1860, when the treaty of Managua between Great Britain and Nicaragua was framed, under which the sovereignty of Nicaragua over the reservation of the Mosquito Indians was fully and distinctly stipulated, with certain qualifications; but the renunciation of any protectorate by Great Britain over the Mosquito Indians and their territory was clear, distinct, and unquestionable.

I did not consider it opportune to refer to the very questionable propriety or right of submitting the treaty of Managua, of January, 1860—an instrument dealing wholly with Central American jurisdiction and interests, which were also manifestly within the purview and scope of the anterior Clayton-Bulwer treaty—to the arbitrament of a European power (Austria) without notice to the United States, or inviting that power to come into the consultation respecting interests which were the subject-matter of existing treaty stipulations between Great Britain and the United States; and not being a party to any such arbitration, the United States were in no way bound to the award.

I preferred, upon the broad but well-defined provisions of the Clayton-Bulwer treaty, to treat all British protectorates in Central America as long since at an end, and never to be renewed in any shape, form, or degree.

I also drew his lordship's attention to the fact that, in the history of this last incident of disorder at Bluefields, which led to the landing of an armed British force, no question as to the right of the Mosquito Indians being governed by their own customs and regulations, as established in their reservation, seemed to have arisen; and yet it was to such "customs and regulations" alone that any shadowy remnant of a guaranty on the part of Great Britain could possibly be argued or suggested.

And such a guaranty, or right of its enforcement, was not admitted by the United States, but, on the contrary, was held by them to be

inconsistent and at variance with the engagements of Great Britain under the Clayton-Bulwer treaty.

The assumption of the British consul to become a signatory to a protocol or provisional agreement of a political and commercial nature between the Mosquito territory and Nicaragua was a cause of surprise to the United States and apparently inconsistent with our conventional understanding (1850) with Great Britain.

To this his lordship replied that the British consul had acted without instructions, and that it was to be assumed that nothing but instant peril to the life and property of English and other residents induced him, as a kind of *modus vivendi*, to tide over a crisis, and by some method peaceably to allay disorders and procure some settlement.

His lordship further expressed a strong desire to learn what the United States Government considered it advisable should be done in the present status of affairs at Bluefields.

He said the United States are, as it were, "on the spot," and being better informed could better judge what line of action was necessary to produce requisite and reasonable security for persons and property in that region.

It appeared to be disposed to follow in the line which should be approved and adopted by the United States, so that a coincidence of view and action should be arrived at by the United States and Great Britain.

Our conversation was wholly verbal, with occasional references to the treaty of Managua, and some telegrams on the subject.

I believe I may fairly say that, in this conversation, Lord Kimberley desired me to understand that the interposition and interference by British officials, civil or naval, in the Bluefields incident—whatever it may have been—was merely to keep the peace in a semicivilized region, where law was displaced and disregarded, and for the purpose of securing order and safety to the lives of peaceable residents of British, and also of other nationalities, who all joined in asking for protection from violence, in the shape of truculent and undisciplined troops claiming authority from Nicaragua.

His lordship incidentally mentioned (as I had previously done) the interest felt in the United States on the subject of the proposed inter-oceanic canal, and recognized, with apparent approval, the increased interest naturally felt in the region of the contemplated work, owing to the large investments of capital, present and prospective, and said the condition of affairs was no doubt much better understood in the United States than in Great Britain, and that his Government was desirous of knowing the opinion to which the former Government might come in order that Great Britain might be better prepared to act in line with them.

The interview was frank and full on both sides, and we agreed that in the present status such mode of treatment of the matter was the most expedient.

There is no doubt in my mind that Great Britain has no desire to have the Clayton-Bulwer treaty abrogated, nor to do anything inconsistent with its provisions, nor to extend their influence in any way in the region of country or transactions to which that instrument has relation, nor to interfere in any way with the plans or works of the United States in relation to the projected canal. They do not desire to have any but the most friendly and mutually accommodating relations with the United States, so that I believe we shall find this Government prepared to lend a ready ear and to entertain in an accommo-

dating spirit any proposals which it may be the desire of the United States to present for their consideration. Indeed, Lord Kimberley told me the British ambassador in Washington had been instructed in this sense.

I have, etc.,

T. F. BAYARD.

No. 57.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, May 30, 1894. (Received June 12, 1894.)*

SIR: I have just received from Mr. Charles Lobner, a reliable resident of Bluefields, a letter, of which I herewith inclose a copy. On the 5th of May, some days before I left Bluefields, I secured from the Nicaraguan special commissioner to the reserve, José Madriz, an agreement that all Nicaraguan soldiers should be removed from Bluefields, and that not more than fifty should be quartered at the bluff. This agreement was promptly carried out on the 7th of the month. I left Bluefields on the night of the 11th. Between those dates there were no soldiers in the town.

From the inclosed letter it seems that as soon as I left the soldiers were taken back to Bluefields by Lacayo, in utter contempt of the agreement of his superior officer.

\* \* \* \* \*

I shall immediately call the attention of Mr. Madriz and the President to this breach of faith.

I have, etc.,

LEWIS BAKER.

[Inclosure in No. 57.]

*Mr. Lobner to Mr. Baker.*

BLUEFIELDS, *May 12, 1894.*

DEAR SIR: I take the liberty of informing you that on the evening of your departure from here the bugle at the "Castle Lacayo" sounded as usual at 8 p. m.; also this morning at 4 and 8. I suppose it will continue. Soldiers are again plenty in the town. One of them was caught stealing a shirt and hat from the N. O. and C. A. Trading Company's store, was marched up to Lacayo's by the bookkeeper, and Lacayo promised to give him 400 lashes, which will probably kill him.

Respectfully,

CHARLES LOBNER.

No. 58.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, June 4, 1894. (Received July 3.)*

SIR: I have just received a cable message from Capt. J. C. Watson, commander of the U. S. S. *San Francisco*, at Colon, a copy of which is found on another page of this dispatch. I also herewith confirm the sending of the reply found attached to the above.

S. Ex. 20—7

I am still in the dark as to the Department instructions referred to, and must necessarily remain so for some days. The instructions of the 24th of May will be due here on the 16th of June. After their receipt I will have no means of reaching Captain Watson.

I have, etc.,

LEWIS BAKER.

[Inclosure 1 in No. 58.]

*Captain Watson to Mr. Baker.*

[Telegram.]

COLON, 8.15 p. m., *May 3, 1894.*

MANAGUA, 10 p. m., *May 3, 1894.*

Have copies instructions sent you, dated May 12 and 24, concerning demands in Argüello case. Ready to assist with all my force. *New York* goes home on our return Bluefields unless emergency forbids. Cable me situation.

[Inclosure 2 in No. 58.]

*Mr. Baker to Captain Watson.*

[Telegram.]

MANAGUA, *June 4, 1894.*

Have not yet received instructions referred to. Latest mail left New York May 10. Argüello still at liberty. Lacayo still in power, although President has personally promised his removal. Torres removed. Advise me.

No. 59.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, June 5, 1894. (Received July 3.)*

SIR: On Sunday, the 3d instant, I received your further cable instructions in regard to the Nicaraguan interoceanic canal, and on Monday morning I made an early call upon Mr. José Madriz, the minister for foreign affairs of this Government. There were present Mr. Román Mayorga Rivas, the subsecretary, and Gen. Daniel Macauley. Mr. Madriz had been out of the city for a week, and General Macauley's letter addressed to the Government, a copy of which I here inclose, had just been referred to him for report. The minister informed us that he would take up the matter at once, and would very soon make a written report thereon to the President and cabinet.

A few minutes before leaving the legation I received from Capt. J. C. Watson, commander of the U. S. S. *San Francisco*, then at Colon, a cable message informing me that he had received copies of instructions, sent to me from Washington, dated the 12th and 24th of May, concerning the Argüello case, and that he was ready to assist with all his force. Unfortunately my latest Washington dates by mail were May 1, therefore I was in the dark as to the instructions referred to; but I assumed,

for my purpose with this Government on this occasion, that they were something pretty perpendicular, containing a genuine American ring. Remarking upon Captain Watson's cable and the supposed tenor of my instructions referred to, I said that it was to be deeply regretted that the recent course of Nicaragua toward Americans and American interests, both in the matter of the canal and in affairs at Bluefields and Rama, was of such a nature as to make a most serious impression at Washington of the apparent unfriendliness of this administration toward the United States, a great Government which is and desires to continue to be a sincere friend to Nicaragua.

You express to me, Mr. Minister, your friendship for the United States, and the President does the same; and then you jump on us with both feet and spit in our faces. Your action in the canal matter has advertised to all the civilized world your own lack of good faith and your indisposition to protect the capital that would come here and develop your naturally splendid country. Nothing is so sensitive as credit; not even capital is so timid, for credit—good faith—must go before capital. This is the rock upon which capital builds. Your notice of the forfeiture of the canal concession, even though it be upon a frivolous ground and one not warranted and not founded in law, not only destroys the credit of the Interoceanic Canal Company but it is the most ghastly stab under the fifth rib of the credit of your own Government which could be inflicted by the keenest Damascus blade.

Your Government will, I am sure, Mr. Minister, withdraw the offensive notice of forfeiture; but every hour's delay is dangerous. I feel authorized to say to you that President Cleveland, his Cabinet Ministers, and the Senatorial Committee on Foreign Affairs are all awaiting with deep concern the early and further action of the Nicaraguan Government, in both the canal and the pending troubles at Bluefields. This is evidenced by the presence of two powerful war steamers on your eastern coast. You must admit, Mr. Minister, when you reflect candidly, that the United States has been most forbearing and patient with your Government, and that their action toward you has been in marked contrast with the brusque manner in which some of your other good neighbors have dealt with you. I hope it is not true that you have failed to appreciate this kindly spirit, that you have misconstrued it, and that, therefore, you have ventured to treat us with a measure of contempt which is usually only accorded to an adversary who is sadly lacking in spirit. I am sure you could not have held this view, albeit your actions might be so construed.

General Macauley then presented the case of the canal company to the minister in brief terms, and we withdrew.

I have, etc.,

LEWIS BAKER.

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[Inclosure in No. 59.]

*General Macauley to the Minister of Foreign Affairs.*

HOTEL SUPONE,  
Managua, Nicaragua, May 30, 1894.

The Honorable EL MINISTRO DE FOMENTO, *Presente* :

In behalf of the Maritime Canal Company of Nicaragua, which holds your concession to construct the Interoceanic Canal, I have the honor to present to you the following facts:

Article 14 of the concession provides, in brief, that within three



years from commencement of the work upon the Interoceanic Canal (October 8, 1889) the company shall construct the Tipitapa Canal.

For many reasons—some of them certainly not the fault of the company—the Tipitapa Canal has not been finished within the specified time.

On the 26th of April, 1894, the president of the Maritime Canal Company received in New York from Minister Horacio Guzman a copy of a letter addressed on April 2 or 7, 1894, by Minister Gamez to the “Agent of the Interoceanic Canal Company” in “Granada,” reading as follows:

NATIONAL PALACE, Managua, April 7, 1894.

*To the Agent of the Interoceanic Canal Company, Granada:*

In amplification of my communication of the 20th of September last, I have the honor of stating to you that the representative of Nicaragua in Washington, Dr. Horacio Guzman, has not carried into effect up to this date the instructions given him to sue the Interoceanic Canal Company in the courts of the United States for its failure to construct a canal on the Tipitapa River, as it agreed to do under article 14 of the contract entered into with this office on the 23d of March, 1887, because he did not want to render worse the sad condition of the company, which it was desired to help, hoping that it might rise from its present prostration; but the Government of Nicaragua, being now convinced that the rights of Nicaragua may be injured by a continuation of such a condition of affairs, and being convinced that the said contract has already been forfeited by default in compliance with one of its principal stipulations, believes that it is the Government's duty to avail itself of article 55 of the said contract in order that a court of arbitration may decide about the point in dispute.

My Government, as I have before stated, declares as terminated the aforesaid contract, and protests that only for the purpose of adjusting itself to the provisions of the said contract it submits this point to the decision of arbitrators.

Therefore it appoints as arbitrators on the part of the Republic, the lawyers, Messrs. Buenaventura Selva and Augustin Duarte, and in case of the failure of any of them not acting, and any impediment that may arise from this time to the date on which the court may assemble, the lawyers, Messrs. Modesto Barrios and J. Francisco Aguita, will act in the order in which they are named.

I hope you will please acknowledge receipt of this present communication, because from this date will commence to run the four months that said contract grants to the company for the appointment of arbitrators on its part.

I am, etc.,

JOSÉ D. GAMEZ.

The letter of September 20th, 1893, to which the above letter refers, has not yet been received by our company, nor have we any knowledge of its contents, and Minister Gamez's letter above copied had lost nearly one month before we received even a copy—the original not having yet reached us.

And now, sir, in the most respectful and amicable manner, permit me to suggest that whatever may have been the fault of our company in the noncompletion of the Tipitapa Canal, the remedy sought to be applied by Minister Gamez is not feasible, has no existence in the concession itself, and I am certain will be pronounced by your friendly and honorable Government as untenable and to be withdrawn and canceled without delay.

Article 53 of the concession contains the five distinct and only grounds of forfeiture of this concession, not one of them being in default and not one of them bearing any relation to article 14 or to the construction of the Tipitapa Canal.

That the concession may contain many agreements and stipulations upon breach of which action or claim might rest, including article 14, is perhaps true; but, as said above, there are only five permitting the extreme penalty of forfeiture, and they are clearly and unmistakably set forth in article 53.

I purposely refrain from complicating this single, solitary question with any other in any form, omitting all argument, counterchange, or

discussion of any other point as tending to direct attention from the remarkable sentence thus passed upon our company and its great work. I have full faith that your Government, in consideration of its friendly neighbor, the United States (whose goodwill and confidence our company also enjoys), will promptly remove this surprising obstruction, and permit us to go forward to thorough and rapid success upon the conditions of the concession as they actually exist.

We do not ask or suggest that you waive or abandon any right falling to you under the articles of the concession. We are ready, separately from the question of this attempted forfeiture, to consider in good faith and act upon any claim you may wish to present, whether under article 14 or any other, but we sincerely and respectfully protest that your sentence of forfeiture, where no forfeiture can lie, gravely damages our progress and tends in many ways to retard the prosperity of your own country, for whose fame and happiness you would gladly do so much.

I conclude by giving you the most profound assurances that all clouds, except this one, are dispelled from the company's horizon, and that the construction of the Nicaragua Canal now, without delay, is an absolute certainty.

But primarily we must be released as quickly as possible from the shadow of the mistaken conditions of the letter above referred to, and to that end I submit the petition to your Government.

Pardon me if I modestly suggest, in conclusion, that a company which has paid you \$150,000 in gold and has expended over \$3,000,000 under your concession, might well invoke your kindly forbearance and its continuance under more serious faults than yet appear against us in Nicaragua.

Urging upon you that the emergency calls for your promptest action,  
I am, etc.,

DANIEL MACAULEY,

*Agent of the Maritime Canal Company of Nicaragua.*

No. 60.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
Managua, June 7, 1894. (Received July 3.)

SIR: In responding to yours, dated May 12, cautioning me to "take care to say nothing tending to disparage Nicaragua's rightful claim to paramount sovereignty or to encourage pretensions to autonomous rights inconsistent therewith," I will say that I have on all proper occasions affirmed Nicaragua's rightful claim to paramount sovereignty over the Mosquito territory, but while conceding this, I have expressed the hope that the American citizens who have gone to that territory and invested money and labor and procured titles to property under certain treaty stipulations will be protected in the rights that they have acquired by proper arrangement between the two Governments.

I have, etc.,

LEWIS BAKER.

No. 61.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, June 9, 1894. (Received July 3.)*

SIR: Referring to my dispatch of May 30, with a letter from an American citizen of Bluefields, Mr. Charles Lobner, as an inclosure, I beg to invite your attention to the inclosed communication.

Inclosure No. 1 is a copy of my note to Hon. José Madriz, minister for foreign affairs and special commissioner to the Mosquito Reservation, calling his attention to this breach of good faith and act of disobedience on the part of Commissioner Lacayo in returning the Nicaraguan troops to Bluefields.

Inclosure No. 2 is a copy of Mr. Madriz's reply, promising to investigate the affair.

I have, etc.,

LEWIS BAKER.

[Inclosure 1 in No. 61.]

*Mr. Baker to Mr. Madriz.*

LEGATION OF THE UNITED STATES,  
*Managua, May 28, 1894.*

MR. MINISTER: I have the honor to call your attention to the inclosed communication, the original of which I have on file at this legation. This letter goes to show that your agreement personally made with me on the 5th of May at Bluefields, by which you ordered all the armed soldiers, with their disturbing bugles and drums, from that town to the bluff, was not observed many hours after I left there.

This seems to me an exhibition of bad faith and a contempt on the part of Commissioner Lacayo of the agreements and orders of his superior officer, which can not well be overlooked.

With high esteem, etc.,

LEWIS BAKER.

[Inclosure 2 in No. 61.—Translation.]

*Mr. Madriz to Mr. Baker.*

NATIONAL PALACE,  
*Managua June 2, 1894.*

MR. MINISTER: I have had the honor to receive your communication of the 28th ultimo, calling my attention to a letter from an American resident of Bluefields, addressed to your legation, referring to the arrival of armed troops and the continuation of military routine in that city, contrary to the orders of removal given by me in my capacity of commissioner of the supreme Government.

You say that this is in violation of the personal agreement entered into between us on May 5 last, and condemn Mr. Lacayo's proceeding as an act of bad faith.

Undoubtedly it is if Mr. Lacayo, with a foreknowledge of my instructions, has again brought soldiers to Bluefields, and by so doing

he has disobeyed my orders and will have to answer to the Government for his acts. To that end explicit information concerning this incident has been asked by the Government.

With the greatest respect, etc.,

JOSÉ MADRIZ.

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No. 62.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
Managua, June 11, 1894. (Received July 3.)

SIR: Referring to yours, dated May 12, and received by me June 6, I have to say: After carefully reading this communication, I had a copy made of it, which I lost no time in taking in person to the office of the minister of foreign affairs. I slowly read the communication over in the presence of that officer and his subsecretary. In closing, I repeated the reading of the closing paragraph in full, that no misapprehension might possibly exist. \* \* \*

I deemed it not inappropriate to make known to the minister, in this connection, the following cable from Captain Watson, which I had received before your instructions reached me:

Have copies of instructions sent you dated May 12 and 24 concerning demands in Argüello case. Ready to assist with all my force.

After the conclusion of my official visit I quietly called attention to the tenor of Captain Watson's cable and remarked that I would be pleased to have this Government's response at the earliest convenient moment, since, Captain Watson was awaiting at Colon a reply from me. A response was promised within a few hours, positively that afternoon at latest. Just fifty-three hours had elapsed when I received the paper marked Inclosure No. 1. I regret to find no assurance in this communication "that the murderer's accomplice, Noyles, shall be dealt with according to his deserts," or that this Government will "adopt such measures as will leave no doubt of its sincere purpose and ability to protect the lives and interests of the peaceable citizens of the United States dwelling in the Mosquito Indian Reservation and to punish crimes committed against them."

In this unofficial conversation I stated that I was at Bluefields at the time Argüello walked out of prison the second time; that it was a misnomer to call his going an escape; that he simply walked out of a door that had stood wide open all day and through which he had passed in and out at pleasure, substantially unguarded; that his mistress had come and gone at intervals during the day and for some time previous; that he deliberately walked out in the full light of day, going into the forests near by at an hour so near nightfall as to make a successful pursuit, unless promptly made, difficult; that Mr. Lacayo's chief officer, General Rühling, who was immediately responsible under Lacayo for the safe-keeping of the prisoner, had been notified by an American resident whose affidavit I had to that effect, of the manner in which Argüello was left unguarded and permitted to walk about the grounds, 100 yards distant from the prison building; that General Rühling made no move, until after the news of the prisoner's absence had been received, looking to a greater degree of security; that General Lacayo stated his conviction that Argüello's mistress had bribed the

guard to allow him to escape, and when inquired of as to whether this derelict (or bribed) guard had been placed in prison for his supposed crime, replied that he had been sent to recapture the prisoner.

I stated to him that I had General Rubling's admission, made to me in person, that during the afternoon of the day following the prisoner's walkout, he (General Rubling) saw him (Argüello) in the outskirts of Bluefields, not 100 yards from him; and when asked why he did not give the alarm and arrest the culprit, replied with a smile that he (Argüello) did not wait to be arrested. I mention this as an evidence of the lack of energy and earnestness which characterized the pursuit of the so-called fugitive.

I stated further, in this unofficial way, and for the purpose of contributing my mite to the minister's information assisting him in seeing his duty in the premises, that Mr. Lacayo's every-day actions created uneasiness among the foreign residents; that his continuance in office is a menace to the peace of that community, and made it impossible (if there were no other reason) for the United States to withdraw her war ships from those waters; that Nicaragua, by the continuance of this irresponsible man in this highly responsible position, was her own worst enemy.

Accompanying Inclosure No. 1 are many documents bearing upon the Wilson murder and the efforts to discover and punish his murderer, which I may not succeed in having translated in time to accompany this in the mail which should depart to-morrow. They are telegrams and orders to officers in regard to the imprisonment, trial, etc., of the culprit, and throw no new light upon the transaction. I shall forward them in this mail if possible, if not possible, then in the next mail.

Inclosure No. 2 is a communication in answer to one I sent to the minister on the day of my arrival from Bluefields, May 21. Although dated May 26, it did not reach me until the 27th, too late to get into the mail that was due to depart on that day for the United States.

All of which is respectfully submitted.

I have, etc.,

LEWIS BAKER.

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[Inclosure No. 1 in No. 62.—Translation.]

*Mr. Madriz to Mr. Baker.*

NATIONAL PALACE,  
Managua, June 8, 1894.

**MR. MINISTER:** The day before yesterday morning I had the honor to receive a visit from Your Excellency, during which you read me a dispatch from the Secretary of State of the United States, dated at Washington on May 12, last, relative to the murder of an American, William Wilson, at Rama, and that Government's complaints against the Nicaraguan authorities who had charge of the custody and trial of the culprit.

After briefly reviewing the information received by that Government concerning the incident, Mr. Gresham says that the whole business is marked by such contempt for the most obvious dictates of justice, and such disregard of the simplest obligations of international duty as to call for urgent and solemn protest on the part of that Government.

He concludes by demanding:

(1) That the Government of Nicaragua shall manifest its disapproval of the conduct of its officers in terms admitting of no misapprehension.

- (2) That the culprit, Argüello, be brought to immediate trial.
- (3) That Governor Torres be dismissed from office.
- (4) That the murderer's accomplice, Noyles, be dealt with according to his deserts.

(5) That the Government of Nicaragua shall adopt such measures as will leave no doubt of its sincere purpose and ability to protect the lives and interests of the peaceable citizens of the United States dwelling in the Mosquito Indian Reservation and to punish crimes committed against them.

On many different occasions, by word and letter, this Government's feelings regarding this matter have been explained to your excellency, and the pain with which it has seen Governor Torres fail so greatly in his path of duty by not complying with the demands of public vengeance. Its disapproval of that officer's conduct, demonstrated by his prompt removal, as your excellency knows, has been made clear and manifest, so that the responsibility resulting from his acts can not be attributed to the Government.

The Government has not made those explanations merely as a matter of duty, but because it wishes to demonstrate the fact that its course is prompted by a high sense of right and justice.

As commissioner of the Supreme Government to the Atlantic Coast I did everything in my power, always conforming strictly to law, in the case of ex-Governor Argüello, and it was the undersigned who dismissed Governor Torres as soon as he had evidence of his culpability. I think, therefore, that the following words, quoted from the said dispatch, can not apply to the officer who now addresses your excellency: "And emphasize the indifference of the superior Nicaraguan agents to their plain duty in the matter."

In regard to the other remarks of Mr. Gresham in the dispatch, I inclose documents which will go to prove that from the beginning this Government has been animated by an unchangeable purpose of having justice done.

Consequently I decline the protest which was directed to you, and trust that your excellency's Government will find the explanations satisfactory.

Your excellency's Government may rest assured that mine will strictly fulfill its duty with as much zeal as you defend your rights.

Captain Watson's telegram, a copy of which was joined to the dispatch, seems to indicate the possibility of his employing forcible means in our territory; and my Government sees a certain similarity between his ideas and your excellency's, as expressed to me in a recent interview when you said that Captain Watson was awaiting your instructions to commence action.

My Government, feeling sure that it has faithfully fulfilled its duties, awaits calmly and without fear anything which may occur. In the same interview your excellency explained this point to me more clearly, but conforming to your desires it will be considered as a personal statement.

I hope that your excellency will inform me of any objections you may have to this explanation.

I have the honor to reiterate to your excellency the expressions of my esteem and most distinguished consideration.

JOSÉ MADRIZ.

[Inclosure 2 in No. 62—Translation.]

*Mr. Madriz to Mr. Baker.*NATIONAL PALACE,  
*Managua, May 26, 1894.*

MR. MINISTER: I have the honor of replying to Your Excellency's letter of the 21st instant, in which you state that on your return from the Mosquito Reservation you found at the legation instructions from the United States Government respecting the disgraceful affair of the William Wilson murder.

After that incident, which my Government sincerely deplores, had occurred, the commissioner of the Republic to the Mosquito Reservation and governor in chief of the Sigüia district, appointed, in place of Argüello, Col. Luis Cartin, to whom he gave special instructions to prosecute according to law the case against Wilson's murderer. The criminal having escaped, and the commissioner thinking there was some culpability on the new governor's part, temporarily replaced him by appointing a young American named Goodel. Goodel accepted the office, but there were obstacles which prevented his taking possession, and therefore it was necessary for Colonel Cartin to continue in charge, especially as his explanations of his conduct were satisfactory.

When the preliminary proceedings had been finished and the absent criminal summoned by proclamations displayed in public places, in conformity with the law relating to such cases, the governor of Rama, Col. Francisco Torres, came from the interior to Bluefields, bringing Argüello with him, so that his trial might be held in the place where he had committed the crime.

Repeated orders were given Colonel Torres to proceed with the trial strictly in conformity with the law, and that during the criminal's arraignment he should be kept in a secure prison. But having afterwards learned that Governor Torres had not acted strictly in accordance with my orders, and also taking into account the representations of the captain of the American man-of-war *San Francisco*, I suspended him, at the same time appointing in his place a person who knows how to perform his duty. On the Government's approval of Mr. Torres's temporary suspension, it was made permanent.

In order to complete a judicial proceeding the criminal was taken to Bluefields, from whose prison I have learned that at a late hour he escaped.

It is very lamentable that such a thing may have occurred, but I can assure your excellency that the ministry of justice has issued orders for his capture, and has also instructed the judge of the case to continue the proceedings; and in default, to summon the criminal by edicts, and complete the case according to law.

Regarding that which refers to Commissioner Lacayo's participation in this matter, I will say that during my stay in Bluefields far from finding in him even the most trifling partiality, he always displayed the greatest interest in having justice done; and I witnessed his displeasure at what had occurred and his resolution to remove Colonel Cartin the day he learned of Argüello's first escape.

I have ordered a copy of the various documents relating to that affair to be prepared, and as soon as they are finished I will send them to your excellency.

I wish that I could inform you of the satisfactory settlement of that vexatious affair; but that not now being possible, I can assure you that

the Government will diligently endeavor to procure the capture of the murderer and give him a legal trial.

The Government's desire to see justice done is demonstrated by the manner in which it disapproved of Governor Torres's conduct by removing him, and that it has asked for the latest reports of any responsibility which may rest upon Commissioner Lacayo; for, as I have said before, during my visit there Mr. Lacayo's action in the Argüello affair could not lead me to form a just charge against him.

I will take care to keep Your Excellency informed of whatever notices I may receive, for I know that the reports which I have ordered will keep me frequently informed of the course of the events.

I avail myself, etc.,

JOSÉ MADRIZ.

No. 63.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE,  
*Washington, June 13, 1894.*

SIR: I have received yours of the 30th ultimo, communicating copy of a letter addressed to you under date of the 12th, by Mr. Charles Lobner, of Bluefields, in which it is stated that the day after your departure, on the 11th, soldiers were "again plenty" in the town. This you characterize as in contempt of an agreement made by you with the Nicaraguan special commissioner to the reserve, Señor José Madriz, that all Nicaraguan soldiers should be removed from Bluefields, and that not more than fifty should be quartered at the bluff.

The President is unable to sanction any intervention by you, restrictive of the sovereign authority of Nicaragua over the territory occupied by the Mosquito Indians. Recognizing, as this Government does, the paramount rights of the Republic in that region, it ill becomes the representative of the United States to interfere to restrain the Nicaraguan Government in the exercise of those sovereign rights.

Your proper function is limited to the protection of American citizens in the reserve, as in any other part of Nicaraguan territory.

You will, before now, have received, if indeed you had not already received at the time of writing your dispatch of May 30, my instructions of May 12th enjoining you to refrain from doing or saying anything tending to disparage Nicaragua's paramount sovereignty, or to encourage pretensions to rights inconsistent therewith.

I am, etc.,

W. Q. GRESHAM.

No. 64.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE,  
*Washington, June 13, 1894.*

SIR: Your dispatches of May 21 and 28, 1894, have been received. They both relate to the case of Argüello, the murderer of William Wilson, at Rama.

It will be gratifying to the President to learn that his just expecta-



tions have been fulfilled by the visitation of the condign displeasure of the Nicaraguan Government upon the culpable officials whose connivance frustrated the immediate ends of justice by effecting the culprit's escape; and it would be additionally satisfactory to be informed that Argüello has been retaken and that the course of law in this singularly aggravated case will be assured.

I am, etc.,

W. Q. GRESHAM.

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No. 65.

*Mr. Uhl to Mr. Baker.*

DEPARTMENT OF STATE,  
*Washington, June 14, 1894.*

SIR: I have to acknowledge the receipt of your dispatch dated May 28 last, in which you recite a conversation had by you on the 21st of May with the President of Nicaragua relative to the restoration of Mr. Sigmund C. Braida to his office as consul of the United States at San Juan del Norte, in the conduct of which he was suspended some weeks ago in consequence of the withdrawal of his exequatur by the Nicaraguan Government.

The President informed you that he had temporarily restored Mr. Braida's exequatur; but you replied that at the time of Mr. Braida's "removal from office" you had "appointed" Dr. Henry De Soto consul in his stead; that the Nicaraguan Government had recognized Dr. De Soto as such consul, and that Mr. Braida could not be restored to the office without first procuring Dr. De Soto's resignation, which step you did not regard as advisable until and unless Mr. Braida's permanent restoration should be assented to.

The withdrawal of Mr. Braida's exequatur did not operate as a removal from office, but only as a suspension of his authority to perform the duties thereof. No vacancy was thereby created which required filling by the appointment of another person; and, furthermore, a minister has no authority to appoint a consul. The President of the United States alone is authorized to appoint a consul, and then by and with the advice and consent of the Senate. Your authority extended only to the temporary installation of an unofficial person to preserve the consular archives and to perform such duties as in the emergency he might lawfully undertake without authorization according to law. Your action in designating Dr. De Soto to act in Mr. Braida's stead, and in obtaining local permission for him so to act, was in legal effect nothing more than appointment of a custodian of the consulate and archives during the suspension of the regularly appointed officer. The restoration of Mr. Braida's exequatur, therefore, whether temporary or permanent, would operate as a rehabilitation of his suspended authority to perform consular functions and qualify him to supersede Mr. De Soto in the custody of the office, without the formality of a resignation or other express determination of Mr. De Soto's connection therewith.

You are therefore instructed to assent to the President's offer to restore Mr. Braida's exequatur, and to permit him to resume charge of the office.

I am, etc.,

EDWIN F. UHL.

No. 66.

*Mr. Guzman to Mr. Gresham.*

[Translation.]

LEGATION OF THE REPUBLIC OF NICARAGUA,  
*Washington, July 5, 1894.*

SIR: In pursuance of the promise which I made to your excellency in our conversation of this morning, I have the honor herewith to transmit to you a copy of the communication which I have received from my Government and of the inclosures to said communication.

According to our agreement, I will call at the Department of State on Saturday next, for the purpose of again conferring with your excellency.

With the highest consideration, etc.,

H. GUZMAN.

[Inclosure in No. 66.]

*Mr. Madriz to Mr. Guzman.*NATIONAL PALACE,  
*Managua, June 4, 1894.*

MR. MINISTER: This office has received your excellency's note, No. 30, of May 7, in which you acknowledge instructions Nos. 168, 169, 170, and 171.

*Mosquito Reserve.*—The last news received indicates that the Reserve continues in a state of tranquillity, and the Government intends shortly to issue a decree establishing certain reforms tending to order and good government in that district, such reforms, of course, having the provisional character required by the state of facts.

Minister Baker has just addressed this Government with regard to the arrival of Nicaraguan forces at Bluefields (Annex A), alleging failure to observe the agreement he made personally with the undersigned on the 5th of May, and characterizing the proceeding of the commissioner as an act of bad faith. I have answered him in the terms which you will see by the copy marked Annex B, and I invite your attention to this matter, which might possibly later on give rise to some difficulty. Such an agreement has not existed, nor could it have existed, seeing that it is not within the competence of the minister of the United States to intervene in matters which directly concern Nicaragua alone.

To the statements of my reply to Mr. Baker I ought to add that, according to a report from the commissioner, the soldiers went to Bluefields at the instance of the governor of police to assist in the pursuit of the fugitive criminal Argüello, whose capture was considered very difficult to effect with the slender police force of that town.

The commissioner reports, moreover, having advised the American minister of the motives for taking those troops to Bluefields, and adds that if the force had remained there, it was because there were well-founded grounds for fearing that a seditious movement might be attempted. However this may be, the commissioner is responsible for his acts to the Government of Nicaragua; but there is no right for the intervention of the American minister in the terms in which it is expressed.

*The Argüello case.*—The unfortunate incident of the death of Wilson,

caused by Argüello, is occasioning difficulty to the Government. You already know the details of this lamentable affair, and are perfectly aware that the Government not only has deplored it in all sincerity, but also that it has done everything possible in order that the slayer of Wilson be judged conformably to law and be punished if culpable. The temporary suspension of the governor of Rama, Señor Torres, which I ordered when I was in the reserve, has been declared final by the Government; and positive and energetic orders have been given for the capture of the offender. In a personal interview which Mr. Baker had with the President, the latter assured him that he would do everything that lay in his power and in the powers of the Government to the end that the fugitive criminal shall not escape condign punishment. This was so formulated by Minister Baker in a note of which I send you a copy.

In this communication Mr. Baker asks the removal of the commissioner, Don Carlos A. Lacayo, but without adducing against him a concrete charge whereon to base such a petition.

You should assure the Department of State that this Government has not beheld nor does it now behold with indifference the death of Wilson, and you should set forth, moreover, what has been done in this affair and the orders issued at the instance of my department by the ministry of justice, which has notified the authorities that they are under the strict duty of pursuing and capturing the delinquent. In the meantime the criminal is being tried in contumaciam in conformity with law.

*Consul Bingham.*—The withdrawal of the exequatur of the consul of Her Britannic Majesty at San Juan del Norte, Mr. Herbert F. Bingham, gave rise to representations on the part of the honorable English minister, Audley Gosling, who personally asked of the Government the restoration of the said exequatur, alleging that no ground had existed for the determination of this Government. In the field of [international] law this department could successfully defend that action, but the undersigned determined to forego the purely theoretical discussion to which this would give rise without any positive result, and stated to Mr. Audley Gosling that he was disposed to hear friendly explanations but not to accept as a justification the reasons which he, Mr. Gosling, had adduced.

Mr. Gosling agreed thereto, as you will see by the memorandum of the conference which I have had with him, and \* \* \* in view of those explanations the Government deemed it appropriate to restore the exequatur in the terms set forth in the order which I send you. \* \* \* Perusal of the memorandum shows you that in this matter the dignity of the Republic has been maintained. I also send you copy of my report to the subsecretary in charge of the office relative to the conduct of Mr. Bingham in the occurrences at Bluefields.

*Consul Braida.*—Minister Baker communicated with this Government, representing in a friendly and cordial manner that he recognized the right, and even the justice, which pertained to Nicaragua in withdrawing the exequatur of the consul of the United States at San Juan del Norte, Mr. Sigismund C. Braida; but that as a tribute to the good relations existing between the two countries, and in view of the attitude latterly maintained by Mr. Braida in regard to the affairs of Mosquito, which had been friendly and respectful toward Nicaragua, he asked the restoration of the exequatur, which was done for these reasons and on account of the desire which the Government has to prove that it feels for that of the United States the best sentiments of friend-

ship. By so doing there was, moreover, avoided the unfavorable impression which might have been produced in the mind of the American Government by only returning Consul Bingham's exequatur. The order by which it was directed that Mr. Braidia shall continue in the exercise of his consular functions (Annex F) speaks for itself in explanation of the determination of the Government in this regard.

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The present communication having been thus far drafted, there has just occurred to-day the following incident. Minister Baker came to this department in company with Gen. Daniel Macauley, agent of the canal company, to state that he has clear and expressive instructions from his Government to support the said company in its claim touching the proposal of the ministry of fomento concerning the forfeiture of the Cardenas-Menocal contract, that it be submitted to the decision of a tribunal of arbitrators to be organized in conformity with article 55 of the contract. A similar statement was made by Mr. Baker two days ago to the President of the Republic. Mr. Macauley has already addressed to the respective ministries a letter in reference to this matter, which is under consideration.

In the course of the interview Mr. Baker said, in this ministry, that President Cleveland, and Secretary Gresham as well, were under the impression that Nicaragua was hostile to the Americans. And when I spoke to him touching the reasons he had for so believing, he answered me that it was proved by the attitude of this Government with regard to the canal company, since he did not think that Nicaragua could, conformably with law, declare the lapse (insubsistencia) of the contract for the sole fact of the company not having fulfilled the clause which stipulates the canalization of the Tipitapa, and that in doing so it would act in a spirit of opposition to the undertakers, whose credit was profoundly affected by the statements of the ministry of fomento in the note of April 2, last, relative to the tribunal of arbitrators above referred to. That motives for that impression in the mind of his Government were found in the fact that the Government of Nicaragua had consented to the seizure, in San Juan del Norte, of the property of the company for the benefit of private individuals, and to the grave injury of the company. In referring to this Mr. Baker emphatically uttered these words: "To steal the property of the company." And he wound up by saying that the conduct of Nicaragua in the Argüello incident proved such hostility from the moment it supported Commissioner Lacayo, whose course he characterized as shameful (vergonzoso).

With the circumspection which was necessary, I answered Mr. Baker, dispelling his charges. I said to him that on more than one occasion had this Government given proofs of good will and condescension toward the canal company, cheerfully lending its aid to the settlement of serious difficulties, which perhaps originated with the company itself; and that in the present case, from the moment that the company had now addressed the Government through its agent seeking to invalidate the declaration of the ministry of fomento, I did not see that for our part the way was closed to a just, equitable, and friendly arrangement in view of the magnitude and importance of the opening of our interoceanic transit. What the ministry of fomento desired was to safeguard the rights of Nicaragua, and not in any way to injure the credit of an enterprise in which the future of this country was bound up.

With respect to the embargo of the property of the construction company in San Juan del Norte, in virtue of an order issued by the

judicial power independently of the executive, I stated to him that I could not, in any manner, impute to the Government the fault thereof; and you will recall that in respect to this particular there exists an official communication from this department, of which I sent you a certified copy at the time, in order that if it were necessary you might throw light upon things at Washington.

As touching the incident of the death of Wilson, I adduced more or less fully the convincing proofs, which you already know, of the action of the Government directed to the capture of the fugitive criminal, and his trial according to justice by the proper authorities.

Mr. Baker concluded his interview by saying that the American war vessels *New York* and *San Francisco* still remained on our Atlantic Coast, and that Captain Watson had telegraphed to him asking orders as to his movements; but that he, Mr. Baker, had not sent him orders, as he was awaiting instructions from the Department of State, already announced to him, and which he supposed were on the way.

As it may be that behind all this there may be found something which might seriously compromise our interests in the reserve, it is proper that you should ascertain what truth there is in it in order to ward off unhappy consequences, and avoid the upright judgment of the American Government being distorted by reports destitute of truth.

I omitted to say to your excellency that upon Mr. Baker taking leave he stated that if not inconvenient he would ask to have with me an interview, when he should receive the instructions he awaited, since it might turn out, to judge from what the periodicals of the United States have lately said, that his Government might be under the impression (influence) of untruthful news with respect to the situation at Rama and Bluefields.

To-day I send you the following cablegram:

GUZMAN, *Washington*.

It is asserted that Captain Watson will receive instructions to disembark marines because the situation at Bluefields and Rama is believed to be unsafe.

We positively know the contrary. Ascertain and report by cable. This government confides in the honorableness and friendship of the American Government.

MADRIZ.

I hope that your excellency will be pleased to report to this department touching this matter with as much detail as possible, and that in view of the importance of the case you will endeavor to throw light upon it so that the Government may know with certainty what to expect in the future.

*Extracts from periodicals.*—I give you an especial injunction to send extracts from the periodicals of the United States making direct or indirect reference to Nicaraguan affairs.

*The canal business.*—I deem it opportune, in view of the statements which, by reason of the arrival of the agent, Mr. Macauley, Minister Baker has lately made to this Government, to call your attention to the terms of the dispatch from this department to your legation, numbered 170, and dated April 7th, last.

I repeat to you the expressions of my highest consideration.

JOSÉ MADRIZ.

ANNEX A.

*Mr. Baker to Mr. Madriz.*

LEGATION OF THE UNITED STATES,  
*Managua, May 29, 1894.*

SIR: I have the honor to call your attention to the inclosed letter, the original of which I have on file at this legation.

This letter goes to show that your agreement personally made with me on the 5th of May at Bluefields, by which you ordered all the armed soldiers with their disturbing bugles and drums from that town to the bluffs, was not observed many hours after I left there.

This seems to me an exhibition of bad faith and a contempt on the part of Commissioner Lacayo of the agreement and orders of his superior officer, which can not well be overlooked.

I have, etc.,

LEWIS BAKER.<sup>1</sup>

Es conforme.

[SEAL.]

MAYORGA RIVA.

ANNEX C.

*Mr. Baker to the Minister for Foreign Affairs.*

LEGATION OF THE UNITED STATES,  
*Managua, May 24, 1894.*

MR. MINISTER: In a personal interview on the 21st instant with his excellency the President I was assured of his purpose to do what lay in his power and in the power of his Government to recapture and properly punish the escaped prisoner, Argiuello, who, while a public official of Nicaragua, shot down and murdered an American citizen, William Wilson by name.

In the same conversation, in order to show the friendship of this Government for its good friend, the United States, he announced his purpose of punishing the culpable officer through whose lax administration, if not actual connivance, the prisoner was allowed to walk out of an unguarded jail.

I have waited with much patience until this time for an announcement of the fulfillment of this purpose. Having heard nothing further from his excellency on the subject, I now must carry out my imperative cable instructions from the President of the United States in "asking instant and effective redress," and "to demand the immediate removal of Governor Torres," whose failure to obey the instructions of his superior officers in regard to the confinement of the prisoner was a scandal to your own Government and an insult to mine, and "the removal from the office of commissioner to the Mosquito Reservation of Carlos A. Lacayo, who is held by the President to be even more culpable than Torres."

I have, etc.,

LEWIS BAKER.

Es conforme.

[SEAL.]

MAYORGA RIVAS.

ANNEX C.

*Mr. Baker to Mr. Madriz.*

LEGATION OF THE UNITED STATES,  
*Managua, June 10, 1894.*

MR. MINISTER: Your communication acknowledging the receipt of an official communication from the United States Government, which I had the honor of presenting under instructions to you in person, and an impartial reply thereto, reached me yesterday. As soon as the voluminous documents accompanying the communication have been translated I will reread them with care and forward them to Washington for the information of my Government. In the meantime I can but express my regret to find in your excellency's communication no assurance that Noyles, the accomplice of the murderer of Wilson, shall be dealt with according to his deserts or that your Government will "adopt such measures as will leave no doubt of its sincere purpose and ability to protect the lives and interests of the peaceable citizens of the United States dwelling in the Mosquito Indian Reservation and to punish crimes committed against them."

With renewed assurances, etc.,

LEWIS BAKER.

Es conforme.

MAYORGA RIVAS.

MANAGUA, June 14, 1894.

[Seal of the minister of foreign relations of Nicaragua.]

<sup>1</sup> Annex B, Mr. Madriz to Mr. Baker, was transmitted by Mr. Baker. See Inclosure 1 in No. 61.

## ANNEX C.

*Mr. Madriz to Mr. Baker.*

MANAGUA, June 13, 1894.

Among the papers accompanying my note No. 259 of the 8th instant are two which entirely satisfy the purposes of the Honorable Secretary Gresham's dispatch.

One is the note addressed by the minister of justice to the commissioner of the Mosquito Reservation, dated June 2, directing the arrest and trial of Noyles, as well as his punishment if found guilty.

In that note and in the one which I addressed to the new governor of Rama, dated May 6 last, instructions were given that officer in regard to the line of conduct he should follow, in order to give no grounds for any complaint, and to efficiently protect the lives and interests of citizens and foreigners.

These instructions, communicated before your excellency came and read me Mr. Gresham's dispatch, ought to thoroughly satisfy your excellency. Nevertheless, I do not desire for my part to omit any friendly act, and I therefore declare to your excellency:

(1) That Charles Noyles shall be brought to trial, as has been already ordered, and if found guilty shall be punished in accordance with law.

(2) The Government has issued orders and taken measures which clearly evidence "its sincere purpose and its readiness to protect the lives and interests of American citizens residing in the Mosquito Reservation and to punish offenses committed against them.

Your excellency has declared on various occasions, in reference to these matters, that you did not doubt the honorable intentions of the Government; I therefore appeal to your excellency's own opinion.

I avail, etc.,

JOSÉ MADRIZ.

A true copy.

MANAGUA.

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No. 67.

*Mr. Guzman to Mr. Gresham.*

[Translation.]

LEGATION OF THE REPUBLIC OF NICARAGUA,

Washington, July 9, 1894.

SIR: As I have had the honor to state to you orally on more than one occasion, my Government is firmly convinced that the Government of the United States has received erroneous reports as well relative to the murder of the American citizen Wilson as in regard to the supposed complicity of the commissioner of Mosquito, Señor Lacayo, in the flight of the criminal Argüello.

The homicide in question aroused the greatest indignation in the Government and in the people of Nicaragua, and public opinion was at once pronounced against the perpetrator of that horrible act.

Commissioner Lacayo acted from the first with energy and diligence, and, faithfully interpreting the wishes of our Government, ordered the speedy capture of the delinquent and his confinement in the most secure prison which exists in the reservation. At the same time he reported the unfortunate occurrence to the superior authority and expressed the sentiments of sorrow awakened in him by that monstrous crime.

From the investigations made by my Government there is not found even the slightest suspicion that Señor Lacayo may be responsible in any way whatever for the escape of Argüello, an event which he sincerely laments, as every honorable man would do under similar circumstances. It is known that the commissioner, as well as the other Nicaraguan authorities, has made and is making all possible efforts to accomplish the capture of Argüello, his sujection to trial, and his

punishment as he deserves. In the meanwhile he is being tried in contumaciam, in conformity with the prescriptions of our laws.

Zealous as my Government has ever been that the administration of justice in Nicaragua be speedy, effective, and equitable, it can but feel a lively interest, and does in fact so feel, that the murder of a foreign citizen shall not go unpunished. Consequently, your excellency must rest assured that all needful means and recourses will be invoked for the apprehension of the fugitive delinquent, thus averting the impunity of the author of the horrible act of which the American citizen Wilson was the victim.

Your excellency is not unaware that my Government decreed the removal of Governor Torres as soon as he was suspected of complicity in the flight of Argüello, and that step was taken before Mr. Baker brought to the knowledge of our minister of foreign affairs the purport of your excellency's note of the 12th of May last, thus conspicuously demonstrating that it acts with rectitude and severity in the punishment of the guilty.

In so far as relates to Charles Noyles, my Government has already ordered that he be put on trial. Thus, it may be affirmed that nothing has been left undone on the part of Nicaragua to cause justice to follow its course in respect to the bloody crime committed by Argüello.

In view of the foregoing statements and given (dada) the innocence of Commissioner Lacayo, so far as the flight of the delinquent is concerned, my Government believes that that of the United States upon learning the truth of the facts will reconsider and withdraw the request that Señor Lacayo be removed from his post as an act of friendship toward a sister republic which has ever looked up to this great nation as the safeguard of the sovereign rights, autonomy, and independence of the Latin-American peoples.

Knowing the uprightness of views which characterizes President Cleveland, and in view of his high sentiments of justice manifested under all circumstances, my Government thinks that upon informing himself of the true state of things he will wish to offer to my country an additional proof of friendship and sympathy by acceding to that which Nicaragua asks through me.

I beg your excellency to be pleased to bring this matter to the high knowledge of His Excellency the President of the United States, and to accept, once more, the protests of my highest consideration.

H. GUZMAN.

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No. 68.

*Mr. Herbert to Mr. Gresham.*

NAVY DEPARTMENT,  
Washington, July 10, 1894.

SIR: I have the honor to transmit herewith a translation of a cipher dispatch received this date from the commanding officer of the U. S. S. *Marblehead*, at Port Limon, Nicaragua, in regard to the political situation at that place.

Very respectfully, etc.,

H. A. HERBERT,  
*Secretary of the Navy.*



[Inclosure in No. 68.]

*Commander O'Neil to Mr. Herbert.*

[Cablegram.]

LIMON, July 10, 1894.

An insurrection has broken out at Bluefields, Nicaragua. Marines and blue jackets on shore at the request of the authorities and the American consul, in order to protect property of American citizens. The authorities of Nicaragua have been overthrown by Mosquito chief. There is less excitement. The situation is improving. I shall withdraw forces within the next few days. The *Marblehead* leaves to-day Bluefields, Nicaragua.

No. 69.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
Managua, July 11, 1894. (Received August 3.)

SIR: I beg to acknowledge the receipt of yours bearing date of June 30, referring to the replacing of soldiers in the town of Bluefields by the Nicaraguan authorities after their removal had been agreed to as a prudential measure by Mr. Madriz, the special commissioner to the Mosquito Indian Reserve.

I have carefully read your instructions contained in this communication and I fully appreciate the soundness of the principles laid down, as well as the necessity of a strict observance, on my part, of those principles. I have not failed to comprehend the true relations of Nicaragua toward the Mosquito Indian Reserve and the relations existing between the United States and Nicaragua on the one hand and the Mosquito Reserve on the other.

What I sought to do was to allay strife and bitterness and misunderstandings where such existed. On my arrival at Bluefields, about April 26, I found the conditions about as bad as they could be. Neither the Nicaraguan authorities nor the foreign citizens were wholly to blame, but a condition bordering on anarchy existed. Ignorant men, without discipline, armed with muskets, promenaded the streets day and night, often in a frenzied manner, provoking frequent disturbances. Some of these "soldiers" were criminals released from the prisons, which latter were thrown wide open on the night of the "occupation." The mere presence of this armed rabble upon the streets was provocative of breaches of the peace.

\* \* \* \* \*

I deemed it my duty, in the exercise of a wise discretion as to the best mode of securing protection to American citizens residing in Bluefields, to attempt to secure the removal of the firebrand from their midst. In doing so there was no denial of the sovereign rights of Nicaragua, directly or by implication. Mr. Madriz seemed to be in full sympathy with the views I expressed as to matters of policy, and readily agreed to the wisdom of removing all causes of irritation possible. His promise to remove the soldiers from Bluefields was voluntarily and cheerfully made.

My object in inclosing to you the note of Mr. Charles Lobner, as I did

in my No. 282, was for the purpose of giving you another illustration of the contempt in which Gen. C. A. Lacayo, the commissioner, held the orders of his superior officer, Mr. Madriz.

I have, etc.,

LEWIS BAKER.

No. 70.

*Mr. Braida to Mr. Uhl.*

CONSULATE OF THE UNITED STATES,  
*San Juan del Norte, July 11, 1894. (Received July 25.)*

SIR: I beg to transmit you herewith copies of No. 1, Capt. B. B. Seat's, our consular agent at Bluefields, report, concerning the last uprising; No. 2, copy of a "bulletin," etc.; No. 3, copy of Chief Clarence's proclamation, resuming his former government.

Knowing that Captain Commander O'Neil had gone to Port Limon in order to cable the events, I shall only give Hon. L. Baker telegraphic information from Port Limon per royal mail steamer.

The British man-of-war *Magicienne* was absent when all occurred. The consul of Her Britannic Majesty, Mr. Bingham, is instructed not to go to Bluefields, in whatever such case, any more. He cabled to London and to Guatemala. The outbreak of a revolution in the interior is generally expected every day and publicly discussed.

Our mail communication is very bad, the bar being very dangerous and often closing even for small caril crafts.

I have, etc.,

S. C. BRAIDA,  
*United States Consul.*

[Inclosure 1 in No. 70.]

*Mr. Seat to Mr. Braida.*

UNITED STATES CONSULAR AGENCY,  
*Bluefields, Nicaragua, July , 1894.*

MY DEAR SIR: I have the honor to report herewith an unexpected and radical change in the situation since my last official note to you. On Thursday, the 5th instant, a number of employees of the provisional council, composed chiefly of Jamaicans, who had been acting as policemen, presented their claims at the headquarters of General Cabezas, demanding their pay for services previously rendered. The provisional treasurer, one Aubert, endeavored to put off matters, and this incensed the Jamaicans. This led to an angry altercation between the officials and the Jamaicans, the latter claiming that they were badly treated in not being promptly paid for their services. They were finally paid off, however, but not until after a squad of the Nicaraguan soldiers had attacked them and several of the Jamaicans had been beaten with guns and wounded by the bayonets.

After this episode all the police force resigned and all the officials of the provisional government except Aubert and Mongrio (the judge).

Three of the Jamaicans were sent to jail by order of General Cabezas, and the order was executed by the soldiers.

At once excited groups appeared all along the principal street, and this continued until night.

At about 9 p. m. a large crowd surrounded the new Government buildings and opened a heavy fire on it. The attacking party was composed of natives and Jamaicans.

The firing was kept up at intervals until after midnight—the Nicaraguan soldiers returning the fire from the buildings.

After about 1 o'clock the firing ceased and all was apparently quiet except one occasional shot, which gave assurance that the excited crowds were still scattered along the street, where they remained until daylight. On the morning of the 6th instant a bulletin was issued and posted on the streets, signed by Robert Henry Clarence, declaring that he had reassumed his rightful authority as hereditary chief of Mosquito and calling on all persons to recognize his said authority in the Mosquito Reserve.

The excitement continued, and late in the evening a formal demand was made upon Cabezas to surrender. He asked until morning to consider the terms proposed, and it was finally granted to him.

The same evening a small party sailed out to the bluff, and after killing two of the Nicaraguan soldiers and wounding a third, they captured six or seven prisoners, one Krupp gun, and about three hundred rifles, all of which were brought to Bluefields.

On the morning of the 7th instant Captain Commander O'Neil was on shore. Cabezas sent for him, and after a few hours Cabezas was permitted to send his 35 soldiers and the prisoners away to Rama, and Cabezas himself was permitted to remain as the Nicaraguan commissioner to the reserve.

The Krupp gun and rifles were to be turned over to Captain O'Neil. All the public records and archives were to be turned over to the Mosquito delegation, and Cabezas was to issue an order to Nicaraguan officials along the coast to vacate and turn over to the Mosquitos.

On the night of the 5th, when it was known that an attack on the buildings of Cabezas had been planned, I signaled the *Marblehead* with rockets and sent off a boat with a dispatch to Captain O'Neil, accompanied by a petition from the American residents, asking that a force be placed on shore for the protection of life and property.

The dispatch did not reach the *Marblehead* until about 1 o'clock in the morning, and owing to the roughness of the bar the marines did not reach Bluefields until on the 6th, about 1 p. m.

Sixty of them came on shore and are now bivouacking at the court-house under command of Lieutenant Bowman.

A magistrate was appointed and a police force of some thirty men was organized, which is now the civil authority of the reserve.

The *Marblehead* sailed to Port Limon to forward dispatches on the night of the 7th, and returned this morning.

Much excitement continues and rumors are numerous on the streets, the last to the effect that the Nicaraguans at Rama are organizing a force of 500 men and that they are coming down to wipe out everything—Americans and negroes, and men and women and children alike. I am satisfied that only the presence of the American man-of-war will prevent them from making an attack, and that if they should be successful in such attack it would be disastrous to natives and foreigners alike. Of course they are now claiming that the Americans were connected with the assault, as I learned to-day. But if there were any of them so connected with this movement it was only two or three irresponsible parties, who are entirely unknown. I don't believe any of them had anything to do with it, but that it was an impromptu upris-

ing of the natives and Jamaica negroes. If they should make an attack now it will be quite different from what it was when Lacayo came here a few months ago.

Yours, respectfully,

B. B. SEAT,  
*United States Consular Agent.*

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[Inclosure 2 in No. 70.]

*Bulletin.*

PATIENCE HAS CEASED TO BE A VIRTUE—NICARAGUA'S HOSTILE TREATMENT TOWARD THE CIVILIAN POLICE CREATES AN UPRISING—A REINFORCEMENT FROM THE BLUFF THREATENS TO LAY THE "NIGGERS" LOW—BALLS WHOOPED THOUGH THE TOWN LAST NIGHT—PRISONERS SET AT LIBERTY—FLAGS TORN DOWN—GENERAL CABEZAS AND PROVISIONAL TREASURER AUBERT SAID TO BE RESPONSIBLE.

For several weeks there has been a general growling among the employees of the provisional government for payment of salaries due them. Continued appeals and frequent visits were made at the headquarters for settlement, but alas! the same old cry, "There is no money in the chest." On Saturday last, when it was seen that four large bags containing about \$1,200 were conveyed thither, employees cherished a hope of being paid. Fortunately a few provisional ones were, but the unfortunate policemen were not.

Yesterday, 5th instant, at 3.30 p. m., about ten police and other employees (laborers) visited the treasurer in order to be paid. They were kept in suspense for a long while and became exasperated and talked loudly. They were threatened to be put out, but afterwards called by General Cabezas, but so soon as they followed him inside in another apartment they were met by a guard of Nicaraguan sentinels, under arms, who charged bayonets on them and further demanding silence. The men, realizing their position, tried to resist this piece of austerity, which resulted in a collision between staffs, bayonets, and gun butts. Of the several blows inflicted both ways, one police sustained loss of some blood, having received a cut on the forehead from a bayonet. Command from a superior authority terminated the conflict and the police were paid forthwith, except three, who were confined. Those that were paid demanded release of the others, but were put out with threats and at the point of the sword, which threats meant that soldiers from the bluff would come in to keep them (the negritos) low as they were boisterous. Matters remained quiet for a while, but the inhabitants were in a fever of excitement when the bugle was sounded at the cuartel at about 8.30 p. m. Rifle shots passed through many houses in various directions from 10 p. m. until almost daylight, causing alarm and great fear to the general public.

Luckily only one man was hurt from a bullet. The cuartel and the houses opposite, from the effects of the shattered boarding and broken glass windows, apparently seem to be the spot of the conflict in which civilians and soldiers fought to a finish. At daybreak the flags of both Mosquito and Nicaragua were discovered to be missing off the flag pole, and all prisoners released. Signs for assistance were appealed to from the American warship *Marblehead*, lying off the bluff, but she failed to comply, as the bar was rough at that hour.

Had the greater part of the male population not been on their plan-

tations the result might have been very disastrous, as such a raid would not be permitted.

The citizens are determined not to allow any more of dogged intrigues to be played on them. It is the general opinion that if General Cabezas had not sent away the money, and if Treasurer Aubert had paid the men previously, this occurrence would not be likely to occur, but report says that the Nicaraguans intend to lay the "niggers" low, consequently an uprising is imminent at any moment, as soldiers are expected to arrive from Rama. But the civilians are on the qui vive.

Nicaragua fails to govern American marines and blue jackets landed. Provisional council members resign. Natives, now is your time to form a new council and protect yourselves. Delay is dangerous.

Mosquito flag floated again predominant at 12.30.

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[Inclosure 3 in No. 70.]

*Proclamation.*

MOSQUITO RESERVATION,  
*Bluefields, July 6, 1894.*

I, Robert Henry Clarence, hereditary chief of Mosquito, hereby proclaim that I have reassumed my rightful authority as chief of Mosquito; and I call upon all law-abiding and loyal residents to obey my authority and that of my office.

ROBERT HENRY CLARENCE,  
*Chief of Mosquito.*

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No 71.

*Mr. Gresham to Mr. Baker.*

[Telegram.]

WASHINGTON, *July 12, 1894.*

Nicaraguan minister here is advised by his Government of an insurrection in Mosquito participated in by Americans. Full and prompt report by you is desirable.

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No. 72.

*Mr. Guzman to Mr. Gresham.*

[Translation.]

LEGATION OF THE REPUBLIC OF NICARAGUA,  
*Washington, July 12, 1894. (Received July 18.)*

SIR: I have the honor to send your excellency copy of a cablegram I have just received from my Government, and I permit myself to invite your excellency's attention to the gravity of the matter which gives rise to that dispatch.

I have, etc.,

H. GUZMAN.

[Inclosure in No. 72.—Telegram.]

*Mr. Madriz to Mr. Gresham.*

MANAGUA, July 10, 1894.

General Cabezas reports rising in Mosquito with participation of Americans. Government will act energetically. Endeavor to impede arrival of aid from United States and notify that rebels will be treated according to laws of war.

No. 73.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE,  
Washington, July 12, 1894.

SIR: Since your dispatch of May 30, 1894, was answered by my instruction of the 13th ultimo, I have received yours of June 9, in further relation to your allegation that an "agreement" between yourself and Señor Madriz for the evacuation of Bluefields by Nicaraguan troops had been violated by Commissioner Lacayo.

Señor Madriz's note of June 2, as transmitted by you in translation, appears to recognize the "personal agreement" of May 5 and admits its violation.

Owing to an inaccuracy in translating the third paragraph of Señor Madriz's note, you seem to have misapprehended the import of his reply. That sentence should read:

"Certainly if, departing from what my instructions contemplated, Señor Lacayo has again brought soldiers to Bluefields, he has not fulfilled the orders which I communicated to him, and must answer to the Government for his acts. A full report on the subject has consequently been asked for."

This seems to make the issue wholly between the Nicaraguan Government and its agent, and this view is strengthened by the remainder of the minister's note to you, which it is observed you have omitted to send here.

In a recent conference with Dr. Guzman, he had occasion to show me copies of correspondence lately exchanged between you and Señor Madriz. On reading Señor Madriz's note to you of June 2, I remarked that instead of terminating with the passage above quoted it went on to narrate in detail the circumstances under which Señor Madriz had deemed it advisable to station the troops at the bluff, and controverts the supposed agreement to which you appealed. His Excellency explicitly says that "the Government of Nicaragua could not permit its right to be questioned to occupy that region (the Mosquito Reservation) with its troops whenever, in its judgment, such a thing was desirable in order to guarantee the internal or external safety of the State."

Dr. Guzman having kindly furnished me with a full copy of the paper in question, I send you a transcript thereof. The translation is the minister's.

It is proper to advert to the necessity of the Department being fully and accurately advised, without delay, of all correspondence of this nature, in order that it may intelligently consider the facts with full knowledge of all the details, and I shall be pleased to have your explanation of the important omission to which I have referred.

I am, etc.,

W. Q. GRESHAM.

[Inclosure in No. 73.]<sup>1</sup>*Mr. Madriz to Mr. Baker.*

MANAGUA, June 2, 1894.

I have had the honor to receive your excellency's polite communication of the 29th ultimo, whereby you were pleased to call my attention to a letter which had been addressed to the legation under your worthy charge by an American citizen of Bluefields, and which had reference to the arrival of an armed force in said city, and to the continuation of the military toques (drum calls?) therein, which had been suspended in pursuance of an order issued by me in my capacity as commissioner of the supreme Government.

Your excellency says that this is contrary to the agreement which we personally concluded on the 5th of May, and you refer to the act of the commissioner as an act of decided bad faith.

Certainly if, departing from what my instructions contemplated, Mr. Lacayo has again brought soldiers to Bluefields, he has not fulfilled the orders which I communicated to him, and must answer to the Government for his acts. A full report on the subject has consequently been asked for.

Let me be permitted to make a brief statement with regard to the circumstances which led to the removal of the Nicaraguan soldiers to the bluff, in pursuance of my order.

Before the arrival of the force I told Captain Clarke, of the British ship *Magicienne*, that the said force, in case it should arrive as was announced, would be stationed where the Government should order it to be stationed, either at the bluff, at Bluefields, or at some other place on the reservation or on the coast, because the Government of Nicaragua could not permit its right to be questioned to occupy that region with its troops whenever, in its judgment, such a thing was desirable in order to guarantee the internal or external safety of the State; that, however, if that force did not come for the purpose of being stationed at any particular point, I would order it to remain at the bluff, where it would give less cause of disquiet to the inhabitants of Bluefields, in whose tranquility I was interested. Captain Clarke politely told me that he did not dispute Nicaragua's right to occupy the region with troops, but that he merely confined himself to recommending that I should adhere to my determination to keep the force at the bluff.

A few days afterwards I received a call at my office from Captain Watson, in command of the North American vessel *San Francisco*, and as, in the talk that we had, my conversation with Captain Clarke was referred to, I repeated to Captain Watson the same words that I had used before, and received from him an expression of about the same opinion that I had received from the other.

On the day on which I had the honor to accompany your excellency on your journey to Rama, we conversed in a private and friendly way concerning the soldiers who were at the comisaría, you remarking that the residents complained of the military toques (drum calls?), to which they were not accustomed. I stated to your excellency in reply that those troops were at the comisaría because the commanding general had so ordered, but that, as soon as I should receive a reply to a telegram which I had sent to Managua in relation to the matter, I would order the removal of the troops to the bluff.

I then understood, as I now understand, that your excellency's obser-

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<sup>1</sup> See inclosure 2 in No. 61.

vation was a purely friendly one, and, as I considered your advice as being well founded, I had no hesitation in declaring that I was willing to follow it, especially since that had been my intention ever since the coming of the men was announced.

Having received such a reply from Managua as I desired, I felt very glad and took great pleasure in informing your excellency, in our interview of the 5th (you being a friend of the Government and my own personal friend), that I had issued orders for the removal of the troops from Bluefields. The measure had already been adopted; my notification was given subsequently to the order. Your excellency politely signified your gratification.

The foregoing statement has been made on account of my desire that your excellency should not regard the act of Commissioner Lacayo (if anything wrong has really been done by him) as anything more than an act of disobedience for which he will be required to answer, and not as the violation of an engagement, for, apart from what I have stated, he had no knowledge whatever of what was said in our farewell conversation. He received an order from me without any explanation.

The order to remove the troops to the bluff has been reiterated to him, because the Government thought proper that this should be done; and with regard to his past action he has been directed to make a report.

Special instructions have been sent him, moreover, touching the course which he is to pursue in future.

With the highest respect and consideration, etc.,

JOSÉ MADRIZ.

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No. 74.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
Managua, July 14, 1894. (Received August 3.)

SIR: The Government here gave out word some days ago that "an insurrection of the negroes at Bluefields had broken out under the leadership of a Hollander named Reuling, and participated in by American citizens," and announced the purpose of sending at once 1,000 men and 4 cannon to put down the uprising.

When questioned by me, the President and his minister for foreign affairs informed me that the news of this affair had been telegraphed to them from Port Limon, Costa Rica; that they were in possession of no further particulars; that the telegraph line between Managua and Grey Town was down; and that there was no way in which anything like speedy communication could be had between this place and Bluefields. You may not be aware of this unpleasant truth, that neither telegrams nor letters are conveyed by this Government on such occasions unless entirely agreeable to them. In this case the President frankly informed me that communication with Bluefields was suspended.

In view of the fact that there is, and has been all the summer, a United States man-of-war at Bluefields, and the further fact that news from Bluefields via New Orleans to Washington can be sent in six or seven days, I am sure that you are in possession, both through the Navy Department and from Capt. B. B. Seat, the United States consular agent at Bluefields, of much more satisfactory reports than it is possible for me to obtain here.



I am still disabled from travel by an attack of fever, and am really disqualified for performing office work even; yet I am doing my best, under most discouraging circumstances, "to keep up my end."

I have, etc.,

LEWIS BAKER.

[Inclosure in No. 74.]

*Mr. Madriz to Mr. Baker.*

[Translation.]

NATIONAL PALACE,  
*Managua, July 10, 1894.*

MR. MINISTER: In a telegram dated at Port Limon the Government is informed by the inspector-general of the Atlantic Coast that an insurrection of the negroes at Bluefields has just broken out, under the leadership of a Hollander, Reuling, and participated in by American citizens.

The inspector and the small force who were on duty have been compelled to evacuate the reserve after having witnessed the death of two of their number and the wounding and capture of others.

Confronted by such an attack the Government deems it expedient to take energetic steps toward the recovery of their national rights and the punishment of the authors of such a criminal act. It is very painful to it to learn that there are American citizens implicated in the uprising, because against its wish it will have to apply the penalties of the laws of war to them.

If your excellency can bring any influence to bear which may prevent the further participation of your countrymen you will be doing an act of humanity and free the Government from the painful necessity of severely punishing people whom it wishes to bring back to obedience and legitimate neutrality by peaceful and gentle means.

I hope your excellency will be good enough to inform me by telegraph at Leon, to which place the Government is going to-day, of the measures you may take for effectually preventing the intervention of the Americans in the rebellion in the reserve.

With the highest consideration, I subscribe myself, your very obedient servant,

JOSÉ MADRIZ.

No. 75.

*Admiral Ramsay to Mr. Gresham.*

NAVY DEPARTMENT,  
*Washington, July 17, 1894.*

SIR: I have the honor to transmit herewith, for your information, translation of a cipher dispatch, dated July 17, from the commanding officer of the U. S. S. *Marblehead*, regarding the situation at Bluefields, Nicaragua.

Very respectfully, etc.,

F. M. RAMSAY,  
*Acting Secretary of the Navy.*

[Inclosure in No. 75.]

*Commander O'Neil to Mr. Herbert.*

[[Cablegram.]

LIMON, July 17, 1894.

For the protection of American interests another man-of-war required. Affairs are very disturbed at Bluefields. There are no prospects of a settlement. The situation is alarming. It is feared that hostilities can not be avoided. The *Marblehead* is protecting American interests at Bluefields. The only means of telegraphing is from Port Limon, Costa Rica, by schooner.

No. 76.

*Mr. Braida to Mr. Uhl.*

CONSULATE OF THE UNITED STATES,  
*San Juan del Norte, July 18, 1894. (Received August 4.)*

SIR: In addition to my dispatch of yesterday I have to report that Mr. H. F. Bingham called on me this morning, announcing to me his promotion as secretary of the legation and near departure for San Jose, Costa Rica. \* \* \*

I learned:

(1) That the admiral, on his suggestion, had ordered the gunboat *Mohawk* to reinforce at Bluefields (she carries six guns and can enter the lagoon).

(2) That he had reports that the negroes at Corn Island had revolted, shooting down a few Nicaraguans, throwing down the flag of this Republic, and finally burning the house of the governor. I admitted to have heard so too, and even that the British flag had been hoisted, and that I think that this will raise an uproar in the United States; that I would like to make known as soon as possible to the United States Government what the standpoint of Her Britannic Majesty's officials would be in regard to such outrages and revolution.

Mr. Bingham said that he could not believe in the hoisting of the British flag for the reason that there are people at Corn Island who ought to know better, to know that Corn Island belongs to Nicaragua.

The governor of this port grows every day more arbitrary, forcing foreigners into his military troop, which he compels to stay every night in the Government's buildings. Having no cipher code, I requested Mr. Bingham, who called on me in this same affair last night, to forward a cipher telegram to the Hon. L. Baker, through the British consul at Granada in my name, asking for instructions.

Mr. Anderson, an Englishman, owner of a rich plantation on the Nicaraguan side of the San Juan River, bought a house, lumber, provisions, etc., in the United States and shipped everything to this free port, expecting to enter these goods free of duty according to the reciprocity treaty. Governor Rivas now forces him to pay 12 to 13 per cent duty for the Grey Town tax, he being 10 miles far from town. The feeling among the natives is almost more intensive than that of the foreigners against this local government, and everybody is convinced that this provoking attitude must lead, or even seems to be intended to lead, to trouble, and therefore I considered it my duty to report the danger of the situation.

The British and the German consuls did the same to their respective Governments.

I have, etc.,

S. C. BRAIDA,  
*United States Consul.*

[Inclosure in No. 76.]

*Mr. Braida to Mr. Baker.*

[Telegram.]

Local troops being organized by local authorities at this place. Local government at this place have demanded that foreign subjects be compelled to enter into forced military service in accordance with new constitution. Must citizens of the United States of America be compelled to enter into this forced military service at this place? Please send me instructions at once.

No. 77.

*Mr. Herbert to Mr. Gresham.*

NAVY DEPARTMENT,  
*Washington, D. C., July 19, 1894.*

SIR: I have the honor to inclose herewith for your information copy of a dispatch received this day from the commanding officer of the U. S. S. *Marblehead* in relation to affairs on the Mosquito Coast.

I have, etc.,

H. A. HERBERT,  
*Secretary of the Navy.*

[Inclosure in No. 77.]

*Commander O'Neil to Mr. Herbert.*

[Telegram.]

NEW ORLEANS, LA., *July 19, 1894.*

The situation at Bluefields on July 10 is that the Mosquitos have full charge of the government of this part of the reservation. The Nicaraguan soldiers here all sent away to Rama under pressure on the 7th. Our men still on shore, as people are alarmed and the native element have not yet quieted down; they fear the Nicaraguans will return in force. No other men-of-war here. Letters by this mail with full account of recent occurrences.

No. 78.

*Mr. Gresham to Mr. Bayard.*

DEPARTMENT OF STATE,  
*Washington, July 19, 1894.*

SIR: I have to acknowledge the receipt of your dispatch of the 28th of May, in which you report a recent interview with Lord Kimberley touching the Bluefields incident, and communicate the desire

expressed on behalf of Her Majesty's Government to act in accord with the United States, and in deference to our judgment in dealing with the question.

It gives me pleasure to commend the views which you so clearly expressed to Lord Kimberley.

During your incumbency of this office, in an instruction to Mr. Phelps, our minister at London (No. 999, of November 23, 1888), you called attention to the fact that as long ago as 1853 Lord John Russell pointed out to Mr. Crampton that "the Mosquito Indians, instead of governing their own tribe according to their own customs, *furnish a name and title* to Europeans and Americans who carry on trade at Grey Town and along the coast of Mosquito *according to the usages of civilized nations.*" This control of the affairs of that region by alien residents continued until the treaty of Managua was concluded in 1860, one of the obvious purposes of which was the correction of this abuse and the removal of all pretext for the intervention of any foreign protector or interested power. The condition described by Lord John Russell as notoriously existing in 1853 most certainly exists to-day. Indian government within the meaning of the treaty in this part of the territory of Nicaragua has never existed, and owing to the incapacity of the Indians it may be safely said never will exist. Great Britain, by her solemn renunciation of a protectorate of any kind over the Indians, was of course barred from intervening to establish or advise an Indian government; and it may be well here to remark that when it was concluded in 1860, the treaty of Managua was regarded by the United States as a satisfactory settlement of the Central American policy or question, simply and solely because it was believed to terminate, once for all, the British claim to protect the Indians. With the details of the relations between them and the expressly recognized territorial sovereign the United States had no concern.

My instruction to you of April 30, No. 374, will have shown that the late attempts to organize, through alien intervention, a government for the Mosquito Reservation wholly foreign to the scheme provided by the treaty of Managua, were deemed by us to be at variance with the policy and engagements of half a century. Acceptance of the implied invitation of Lord Kimberley for the United States to join with Great Britain in devising a solution of the problems growing out of the Bluefields incident might imply a willingness on the part of this Administration to depart from the consistent policy pursued by previous administrations in dealing with Central American questions.

The situation at Bluefields and elsewhere in the strip presents no question difficult of solution. The sovereignty of Nicaragua over the whole of the national domain is unquestionable. She has granted or secured to certain Indians within part of her domain the right of self-government, under expressed conditions and limitations. It may be safely said that such government does not exist and has not existed in the Mosquito territory. An alien administration, in other interests than those of the Indians, notoriously exists, especially at Bluefields. Nobody is deceived by calling this authority a Mosquito Indian government. No matter how conspicuous the American or other alien interests which have grown up under the fiction of Indian self-government, neither the United States nor Great Britain can fairly sanction or uphold this colorable abuse of the sovereignty of Nicaragua.

So far as American rights of person and property in the reservation are concerned, this Government can not distinguish them from like rights in any other part of Nicaragua; and should they be invaded

we could only look to the territorial sovereign for redress. This being so, the United States could neither participate in nor sanction any device whereby the ultimate authority and international responsibility of Nicaragua in respect of American citizens in the reservation might be impaired or restricted.

These general considerations are submitted for your guidance in dealing with any suggestions Lord Kimberley may advance.

I am, etc.,

W. Q. GRESHAM.

No. 79.

*Mr. Baker to Mr. Gresham.*

[Telegram.]

LEGATION OF THE UNITED STATES,  
Managua, July 20, 1894. (Received July 22.)

Uprising of Indians and Jamaica negroes at Bluefields extremely unfortunate. They restored Chief Clarence and set up government. Presence of United States marines prevents further bloodshed. Minister Madriz goes down and will take letters from me advising Americans of their duty to the sovereign Government.

No. 80.

*Mr. Gresham to Mr. Bayard.*

DEPARTMENT OF STATE,  
Washington, July 23, 1894.

SIR: Since my instruction to you of the 19th instant, in relation to affairs in the Mosquito Reservation, was written, a change in the situation has been abruptly brought about by a hostile movement against the Nicaraguan authority, participated in, I fear, by Americans.

Details have not yet been received, but from the telegraphic reports of our minister in Nicaragua and the commander of the U. S. S. *Marblehead*, it would appear that the uprising resulted in the ousting of the Nicaraguan garrison at Bluefields, the seizure of the bluff by the attacking forces, and the restoration of the chief, Clarence.

It is gratifying to learn that the presence of marines landed from our war vessel prevented further acts of violence and I am informed by Minister Baker that he has advised the American residents of Bluefields touching their duty toward the sovereign Government. It is hoped that these timely precautions will contribute to the maintenance of tranquillity and prevent unlawful interference of citizens of the United States in a matter which only concerns the Nicaraguan Government and the Indians dwelling in its territory.

The only limitation imposed by the treaty of Managua upon the sovereignty of Nicaragua over the Mosquito territory was the right of the Mosquito Indians to govern themselves and others inhabiting that country according to Indian usage and custom. The sovereignty of the Government with that exception is as complete over the strip as over any other portion of its territory, and if the Indians themselves do not, or

can not exercise that right or privilege, it can not be exercised by aliens in their name. While this Government will protect all the legitimate rights of Americans sojourning or transacting business in the reservation, it can not support them in an effort to establish and maintain an essentially alien municipal government.

I am, etc.,

W. Q. GRESHAM.

P. S.—I inclose for your further information a copy of a telegram received from Mr. Baker<sup>1</sup> since the above instruction was signed.

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No. 81.

*Mr. Braida to Mr. Uhl.*

CONSULATE OF THE UNITED STATES,  
*San Juan del Norte, July 23, 1894. (Received August 6.)*

SIR: I beg to transmit you herewith a report which I received last night from our consular agent at Bluefields.

I include copy of Commander O'Neil's note of July 14, addressed to the captains and owners of ships under the flag of the United States trading in these waters; copy and translations of Gen. R. Cabezas's note to the United States consular agent and to the British vice-consul at Bluefields, declaring the chief, Robert Henry Clarence, and all those who participated in the last uprising, rebels, and that they shall be judged according to martial law by a military court. Declaring the district of Sigüia (Mosquito included) in a state of siege.

Chief Clarence's note to Consular Agent Mr. B. B. Seat, notifying him of the appointment of four members (two Americans and two Englishmen) to fill the vacancies in the executive council. These gentlemen are very respectable people.

I have to report that Her Britannic Majesty's gunboat *Mohawk* arrived here yesterday noon, bringing dispatches to the consul and bound for Bluefields. I received several letters from people at that place, all stating that they will defend their homes against whatever attack by the Nicaraguans.

Six protests were filed at the United States agency at Bluefields about General Cabezas's stopping the steamers, tugs, and other ships in the fruit trade, retaining them at Rama, which caused a great loss of bananas prepared for export. I also have to report the wreck of the American steamer *Geo. Sealy*, one of the fruit traders, on a reef near old Providence, July 11, A. C.

I beg to remain, etc.,

S. C. BRAIDA,  
*United States Consul.*

P. S.—The governor of Grey Town expects troops from the interior, intended to be sent to Bluefields, and makes all preparations for their shipment.

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<sup>1</sup> See No. 78.

[Inclosure 1 in No. 81.]

*Mr. Seat to Mr. Braidà.*UNITED STATES CONSULAR AGENCY,  
*Bluefields, Nicaragua, July 16, 1894.*

MY DEAR SIR: I have the honor to report herewith that on Saturday, the 14th instant, there were presented at this office several written protests against the seizure and detention of certain steam tugs, boats, and barges, the property of American residents, by order of Gen. Rigoberto Cabezas, as commissioner, etc., at Rama.

The said protests were made by Mr. Thomas Waters, agent of the Bluefields Banana Company, Mr. A. B. Orr, representing the firm of Orr & Laubenheimer, and Mr. Burke, tally agent for Messrs. Brown & Harris. Copies of the said protests are herewith inclosed.

Authenticated copies of the said protests were immediately forwarded to Captain O'Neil, commander of the U. S. war ship *Marblehead*, and also to Lieutenant Bowman, commanding detachment of United States marines at Bluefields.

On Sunday, the 15th instant, the fruit steamer *Hispania* steamed up the Rio Escondido, having in tow the steam launch of the *Marblehead*, with Captain O'Neil himself on board, and boat's crew (marines) and one Gatling gun.

The *Hispania*, with the said launch in tow, arrived at the wharf at Rama about 6 o'clock p. m.

Captain O'Neil went on shore, and after a brief interview with General Cabezas, the steam tugs, barges, etc., were released. Captain O'Neil remained in Rama during the night and returned to Bluefields this evening.

The steam tugs also came down from Rama, five of them. The river steamer *Hurdy* is also here, tied up at the wharf, and will probably make no more trips up the river until an adjustment of the troubles is effected.

The steamship *Nicaragua* went up the river this morning, the 18th, but will not go to Rama, and will get her cargo from the lower river.

The commerce of the place has been so disastrously affected that the fruit on most of the plantations is rotting, and the laborers refuse to take employment on the upper river and its tributaries, claiming that they are afraid of violence at the hands of the Nicaraguans.

Very little communication is now maintained between the town of Bluefields and Rama. Nearly all American families on the river have come down to Bluefields in order to avail themselves of the protection afforded by the presence of the American marines now on shore at Bluefields. The town is patrolled at night by a strong police guard, supplied by the local authorities—that is, Clarence and his crowd.

The foreign residents also keep out a watch for their own protection, in order not to be taken by surprise.

July 19.—Mr. A. B. Orr has just arrived from Rama and reports all quiet and no apparent movement indicating an attack on Bluefields.

Yours, sincerely,

B. B. SEAT,  
*United States Consular Agent.*

[Inclosure 2 in No. 81—Translation.]

*General Cabezas to the American and British consuls at Bluefields.*

IN THE RIVER ESCONDIDO, AT ———,  
*On the afternoon of the 12th day of July, 1894.*

The members of the provisional council being congregated by order of its president for to deliberate on the events that occurred from the 5th to the 8th of July, it is manifest that having absolute occupation, imposed by the circumstances we nominate to restore them Mr. D. H. Thomas, who was called immediately to take possession of his place, and there under his presidency was opened for discussion, having in sight the proclamation of Mr. Robert Henry Clarence, in which he reassumes the command of the Mosquito Reserve, from which he was despoiled by the Supreme Government, and by an expressed consent, celebrated between the commissioner and Her Britannic Majesty's consul.

This act, outside of being flagrant usurpation of authority, is illegal, because various crimes center thereon:

That of lese sovereignty, because the multitudes ran through the streets, grasping rifles, and keeping up a continual fire on the palace of the Nicaraguan Government, which lasted from 9 p. m. until 4 a. m. of the 6th instant; the discharges and mutinous clamor and outcry disturbed profoundly the order, and they imposed by their violence a dangerous uneasiness to all the peaceable citizens in the city.

That of disrespect to the sovereignty, intimidating the representative of the Republic and military chief of the coast, causing him to yield.

That of assassination, committed on the soldiers of the Republic who were in charge of a piece of artillery on the bluff, and who, taken by surprise, were killed.

The basis of the usurper government rests in blood, and this Government, viewing all the detestable characters of the crime of high treason, in virtue thereof, all their acts are void of effect, and considering that it is necessary to provide measures of repression until the Supreme Government resolves that suitable, the legitimate constituted provisional council agrees to declare:

(1) That all dispositions or acts emanating from Robert Henry Clarence or his council will be null and void.

(2) Disauthorizing all those factious employees from receiving or delivering rents or taxes of the reserve or contracting obligations in its name.

(3) Declaring accomplices to the crime of rebellion all those that loan their help or serve under the regime rising from the parties of force and blood, committed on the night of 5th and 6th of July.

The present decree, together with the acts of this session, will be forwarded in copy to the commissioner of the Republic, who will present them to the Supreme Government and to the American and English consuls resident in Bluefields.

DENIS H. THOMAS.  
 JESÚS MONTEREY.  
 NARCISO BARBERENÓ.  
 OSCAR LACAYO.  
 H. G. HIGLEY.

AUBERT, *Secretary.*

This is a true translation.

S. C. BRAIDA,  
*United States Consul.*



[Inclosure 3 in No. 81.]

## DECREE.

Rigoberto Cabezas, inspector-general of the Atlantic Coast and governor for the district of Siquia, considering that the public peace in Bluefields has been disturbed by an armed rebellion, that it is the duty of this authority to anticipate the best way for the maintenance of order, and for the security of my associates, and by use of the faculties of which I am invested—

(1) I declare the district of Siquia in a state of siege.

(2) That all common crimes or faults during the time martial law is in force shall be judged by a military court.

Given in Rama this 12th day of July, 1894.

Communicate.

R. CABEZAS.

This is a true translation.

S. C. BRAIDA,  
*United States Consul.*

[Inclosure 4 in No. 81.]

*Chief Clarence to Mr. Seat.*

BLUEFIELDS, July 6, 1894.

SIR: I have the honor to inform you and for the information of your Government that by request of the people I have assumed my right of office as hereditary chief of the Mosquito Indians and president of the council, and that in order to preserve peace and safety to life and property and to conciliate the people I have appointed the following gentlemen, who were duly sworn into office, to fill the vacancies that have occurred in the executive council:

Charles Lobner, American.

Henry Brown, English.

Sam Lampton, American.

Jacob Brownregg, English.

I have, etc.,

ROBERT HENRY CLARENCE,  
*Chief and President.*

This is a true copy.

S. C. BRAIDA,  
*United States Consul.*

No. 82.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, July 27, 1894. (Received August 14.)*

SIR: My latest information from Bluefields by mail is of the date of July 7. I have nothing direct by wire. You are probably aware that there is no telegraph line from here to Bluefields; or, for that matter, none to Bluefields from any quarter. It happens that three or four weeks sometimes pass without any mail from Bluefields to Grey Town, and from Grey Town to this city the wire is on rotten poles; it runs for

many miles through a forest so dense as to defy the rays of the sun, and is usually "down" when anyone else than the Government desires its use.

Consul Braida makes most serious complaint of his inability to telegraph to me, as well as the interference with his mails between Bluefields and Grey Town.

Minister Madriz leaves here to-day for Bluefields, as special commissioner, and through his courtesy I send letters to Consul Braida, Commander O'Neil of the U. S. S. *Marblehead*, and Consular Agent B. B. Seat, esq.

I herewith inclose a copy of the latter, and they were all of similar tenor.

I had a talk with Mr. Madriz this morning, and I find his mind filled with the idea that the Americans are at the bottom of the trouble at Bluefields, and his assistant secretary, Roman Mayorga Rivas, esq., more frank than discreet, announced the purpose of the Government to "take down 1,000 troops and 4 cannon and butcher all the Americans in that territory, if necessary to establish and maintain Nicaraguan rule there."

It has been developed that 1,300 to 1,500 soldiers will go down from here, many have already gone, and the army of Honduras has been drawn upon besides. Great efforts have been made to create enthusiasm among the soldiers who are going to the front. This morning's "El 93," contains an address from the President to the army, and an editorial, both intended to contribute to the above purpose. I send you inclosed a copy of the paper. As the mail is just closing for Corinto, I will not have time to make the translations.

I have had a little backset in my sickness, and have been in bed again this week. This has been the sickliest season known in Nicaragua for many years. About 20 per cent of the foreigners in this vicinity, I am informed, have died. The fever has been a malignant one, with many of the characteristics of the yellow fever. It seems to have been brought here from Panama. Whether the President shall fill this consulate, which has now been vacant over a year, or not, I will be compelled to get away from here either temporarily or permanently. I must have a change to live, or a change will come to me in death.

I have, etc.,

LEWIS BAKER.

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[Inclosure 1 in No. 82.]

*Mr. Baker to Mr. Seat.*

LEGATION OF THE UNITED STATES,

*Managua, July 26, 1894.*

SIR: I thank you for your report of the mob by the negro and Indian residents of Bluefields on the night of July 5, arising out of the repeated refusal of the Nicaraguan authorities to pay the policemen in their employ.

I most sincerely regret this occurrence, but I am gratified to be assured, as I am by you, that no American has been mixed up in this disgraceful affair.

His Honor Minister Madriz is returning to Bluefields as special commissioner of the Government of Nicaragua, and he has kindly consented to bring this to you. Before giving it to him I permitted him to know

the contents of your report to me; I also presented to him and to the President the complaints of the Rama parties. At the time Mr. Madriz was down last April and May, I understood that he had given orders that ships should be permitted to load and unload fruit during all hours, day and night, as is done in all towns and cities of the United States, and I feel quite sure that the act of which you complain will meet his prompt disapproval.

Minister Madriz was at Bluefields at the time of my visit in April and May, and I found him to be conservative, clear in his ideas, and disposed to be just. Upon his careful report of the condition of public sentiment down there, the President responded promptly to such reasonable requests as I thought it proper to make of him for the protection of American interests in the reserve.

For this reason alone, even though there was no other, it is a source of keen regret to me that this unholy mob broke out.

The Government of the United States concedes, as you know, the sovereignty of Nicaragua over the Mosquito Territory. Only England has any treaty which limits the full and free action of Nicaragua over Mosquitia. As Americans we concede to Nicaragua all the powers of a sovereign; and our position is that of guests in the house of a neighbor. We came into this house and we acquired certain rights of property, and went into business on certain conditions and under certain guarantees. Our business, as I said, is to act in good faith as guests, as neutrals; their business is to protect us in all our rights. And I feel reasonably certain that if we remain true to our proper position, the Nicaraguan Government will finally adjust in an equitable manner all our just claims.

It is pleasing to me to learn, as I do through others, that during the recent troubles in Bluefields you discouraged every species of disorder and threw your influence on the side of peace and order. I can not too highly commend all Americans who took the same conservative and proper course.

I am, etc.,

LEWIS BAKER.

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[Inclosure 2 in No. 82.]

*Extract from "El 93," July 27, 1894.*

We take pleasure in inserting the proclamation which has been addressed by the General President to the expeditionary army that is about to go to Bluefields.

It is as follows:

*Soldiers of the expeditionary force of the Atlantic Coast:*

Our country again requires your services to uphold its integrity and its sovereign rights. I have summoned you to march to our Atlantic coasts in order there to raise our flag to the height which is demanded by our national dignity.

To you, the upholders of our liberty and autonomy, I desire to communicate the reason of this summons.

On the 5th of the present month the negroes of Jamaica, having been badly advised by certain adventurers who desired to secure control of the wealth of those coasts, raised the cry of insurrection against the authorities of Nicaragua, taking advantage of a time when a few of your companions remained upholding order and giving them guarantees. The efforts of these Nicaraguan soldiers who had to do battle

against a large number of those negroes were fruitless, some of them dying heroically in defending the dignity and honor of Nicaragua. It is for you to continue the work which those martyrs were unable to finish owing to their scanty numbers.

You have shown in the recent Honduran campaign how much you love your country, and how you punish the folly of those who dare to cast discredit upon our flag. It is just one year since you liberated all Nicaragua in the bloody battle of La Cuesta. I invoke those souvenirs which do you so much honor, and ask you to make known this time, with the same bravery and heroism, in the remote region of the Atlantic, what the Nicaraguan soldier can do when he fights for the honor of his country.

You will be led to those coasts by the experienced and valiant Generals Reyes, Balladases, Bone, and Uriarte. You know them well. With their skill and your valor victory is certain.

I urge you to observe the good behavior and the discipline of which you have given so many evidences.

You are going to a region where it is sought to make us appear as savages who do not know how to govern. I charge you to show by your honorable conduct and excellent demeanor how infamous is the slander which those negroes have concocted against us.

Before taking leave of you, I desire especially to commend to you the brave minister, Dr. José Madriz, who is to accompany you on this expedition. He goes in the name of the Government to impose our laws upon the rebels. He feels confidence in the success of his mission, because he relies upon soldiers who, like you, will execute his orders at the proper time.

I feel confident that I shall see you on your return crowned with laurels, and I know that if you are not sufficient to punish those insurgents, our entire army will go, with your commander in chief and friend at its head.

J. S. ZELAYA.

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No. 83.

*Mr. Herbert to Mr. Gresham.*

NAVY DEPARTMENT,  
Washington, July 27, 1894.

SIR: I have the honor to inclose herewith copies of four communications, with inclosures, Nos. 4248, 4250, 4273, 4275, received from Commander Charles O'Neil, U. S. N., commanding the U. S. S. *Marblehead*, relative to political affairs in Nicaragua.

I have, etc.,

H. A. HERBERT.

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[Inclosure 1 in No. 83.]

*Commander O'Neil to Mr. Herbert.*

U. S. S. MARBLEHEAD,  
Off Bluefields, Nicaragua, July 10, 1894.

SIR: In my letter No. 45 of the 9th instant, by this mail, I am not sure that I have expressed fully the attitude of American residents at Bluefields toward the Nicaraguan Government and the Mosquito Government, if the latter can be called one.

Prior to February last they had lived quietly and prosperously under the Mosquito régime until it was overthrown by the Nicaraguans, who have in fact governed it since then, though there has been a mixed council known as "The Provisional Council," who were supposed to exercise the functions of Government, but the original members resigned one after the other, and there being no provision for filling vacancies the Nicaraguan commissioner, first General Lacayo, and later General Cabezas, acting as such, filled the vacancies and gradually concentrated all authority in themselves.

No legislative body existed, and decrees were issued in the name of the provisional council and sometimes in the name of the commissioner, making laws with reference to taxes, land rents, and other matters which were considered as arbitrary and harsh measures.

For example, a few weeks ago the inclosed notice was issued relative to the payment in advance of a year's rent of lands.

These and other matters gave great dissatisfaction, and the sympathies and interests of the foreign population were with the Mosquitoes, under whose mild and easy rule they had materially prospered.

The inhabitants of the reserve naturally feel that their territory has been invaded by the Nicaraguans, and tell many stories of oppression and injustice, and of course are hostile to the Nicaraguan Government and its officials.

The American community here is a very respectable one, made up of representatives of fruit and mahogany companies, of jobbers and importers, clerks, pilots, a doctor, and a few people of other trades and occupations. I do not learn of any disreputable characters among them.

Probably with two or three exceptions they all are in sympathy with the Mosquito party, and I have heard a good deal of indiscreet talk which should not be indulged in, and at the meeting at the United States consulate I called their attention to the impropriety of the matter and counseled them to refrain from even an appearance of being identified with either faction, but I know very well that some Americans are now named for places in the Mosquito council, and some others have taken civil offices under them already.

In the event of there being hostilities between the Mosquitoes and Nicaraguans, these people will at least be open to the suspicion of having taken an unfriendly attitude toward the sovereign power, though I do not know that there is in itself any impropriety in taking a purely civil office, such, for instance, as magistrate.

As soon as I can get on shore again I propose to again see as many of the American residents as I can, and shall tell them plainly that if they aid or abet in any measures hostile to the Government of Nicaragua they must not look to me for aid, as I will have nothing to do with them.

The so-called British subjects are practically all Jamaica negroes, and of course identified with the Mosquitoes.

I have no idea what steps the Mosquitoes propose to take for their preservation. The young chief told me they did not propose to have any more Nicaraguans here; but he is an [in]experienced boy and did not know what he was talking about, nor did he have the faintest idea as to the gravity of the situation. I heard talk about purchasing arms in the United States, but they have no organization and no leaders and could only resort to guerrilla warfare. I have formed the opinion that they would not offer much resistance, but some time ago, when H. M. S. *Magicienne* was here, Captain Clarke said there were a great many arms in the country and the people would fight.

The Americans here are only in danger should there be a general uprising, when, in the excitement, anybody's property might be injured; there is no hostility to them, but in the absence of a strong and well-organized local government, disorder is likely to occur, especially as, owing to the recent excitement, the natives have many of them quit work.

The United States consular agent, Mr. Seat, is very well informed as to local matters, and is an educated and very intelligent man; therefore his reports will probably be much more comprehensive than mine, as he undoubtedly understands the situation and all the causes that led to it better than I do.

So far as I can judge at present we ought to be able to furnish necessary protection for Americans with the force now here.

I can not think that the Nicaraguan Government will quietly accept the situation nor overlook the attack upon her soldiers.

I am told that Bluefields can only be approached by water (from sea or by way of the Escondido River) and if the Mosquitoes had a few guns they could hold out for a long time; but they have none.

Very respectfully, etc.,

CHARLES O'NEIL,  
*Commander, U. S. N., Commanding.*

A LAW for the better collection of rents or leases of the public lands of the Mosquito Reserve.

*Be it enacted by the Provisional Council in session assembled, and it is hereby enacted:*

1. That all land rents in the Mosquito Reserve are payable in advance at the office of the land commissioner on June 1 of each year; and all rents due on the passage of this law must be paid within thirty days, each leaseholder paying to June 1, 1895.

2. Three days' grace will be allowed in which to settle the dues with the land commissioner. After three days 5 per cent penalty will be added, and after fifteen days, 10 per cent additional penalty will be added to the rents not paid within the required time, and at the end of thirty days all lands on which the rents have not been paid will be advertised by the land commissioner, either by posting two or more notices or by inserting said notice in one newspaper published within the reserve, and ten days after such notice the land commissioner will turn over such unpaid rent list to the judge of the peace, who, after due notice to the interested parties, will cause such land or lands, with all improvements, to be sold to the highest bidder. All money over and above the rents due, penalties, cost of publishing notice, and cost of sale, will be paid to the original owner of the land.

3. The land commissioner is hereby instructed to put this law into force thirty days after date. No further notice will be given to leaseholders, as each lease shows the date on which the rent is due the Government.

D. H. THOMAS,  
*President of Provisional Council.*  
GEO. P. HALL,  
*Secretary.*

BLUEFIELDS, M. R., June 18, 1894.

[Inclosure 2 in No. 83.]

*Commander O'Neil to Mr. Herbert.*

U. S. S. MARBLEHEAD,  
*Off Bluefields, Nicaragua, July 9, 1894.*

SIR: I have the honor to report the following occurrences, which have transpired in this vicinity during the past few days:

July 4 was observed in the settlement of Bluefields to a less extent than usual by the Americans, because they were depressed and anxious, and feared that should they make any demonstration in the way

of a parade, etc., that some excitement might arise or some pretext be given for a disturbance.

Brig. Gen. Rigoberto Cabezas, a Nicaraguan official, holding the position of "inspector-general of the Atlantic Coast," and who, in the absence of General Lacayo, is acting as "Nicaraguan commissioner" to the Mosquito Reserve, and who, by virtue of the latter office, is "president of the provisional council," was in fact the governing power of the community, as the provisional council had practically ceased to exist, as all the original members had resigned, and there were no recognized provisions for filling their places.

General Cabezas issued an announcement to the employees of the Government, proclaiming the 4th a holiday, explaining its significance, and addressed me a friendly and complimentary note, which I acknowledged. The Nicaraguan Government house was properly decorated with flags, and guns were fired at intervals during the day in the headquarters and at the bluff, some 5 miles distant, at the entrance to the lagoon, and where the custom-house is located.

I had been on shore on the 3d and 4th for the express purpose of mixing with the people, to learn their views and get as much insight into matters as possible, and everything was apparently quiet when I went off to the vessel on the 4th, but I could get no farther than the bluff on that day and had to stop on board a steamer at anchor and reached the ship on the morning of the 5th.

At midnight on the 5th a tug came out and brought me a communication from the United States consular agent (B. B. Seat, esq.) informing me that the presence of some of our men was necessary in view of the unsettled state of affairs (copy herewith, A); this was accompanied by a memorial signed by 25 persons, nearly all Americans, and the acting British vice-consul (copy herewith, B).

It being extremely hazardous to attempt to cross the bar at night in ship's boats, and having had no direct communication with or from the authorities of Nicaragua with regard to landing men, I sent back word to the consular agent that I would send men in at daylight to the bluff, but would not land them until permission had been obtained from the authorities to do so (see copy herewith, C).

At early daylight on the morning of the 6th I went into the settlement in the gig, leaving orders for Lieutenant Bowman to follow with a detachment of about 54 marines and blue jackets, with 3 other officers, and for them not to land, but to await further instructions in their boats at the bluff.

Upon reaching the settlement I went at once to the consular agent and learned that in the previous evening (after he had sent his letter to me) a mob had opened fire on the (Nicaraguan) Government house with rifles, at about 9 p. m., and that the streets in the vicinity were full of armed men discharging their rifles, which was kept up during the night and until about 4 o'clock the next morning. The Government house was pretty well riddled with bullets, and several houses in the vicinity, of Americans and others, were repeatedly hit, but so far as learned no one was killed, but there was great alarm throughout the community.

General Cabezas, with some thirty-five Nicaraguan soldiers, occupied the Government house, and he informs me that he restrained his men from firing on the mob, because he feared to injure people in the houses near by.

In company with Mr. Seat I called upon General Cabezas to inquire into the situation and asked him if he could and would guarantee the

safety of law-abiding American citizens and their property. He said in effect that while he would like to do so, he feared that under existing circumstances it would not be possible, whereupon I told him I was ready to land men for the purpose and to help preserve order if he would request it, or grant permission for me to do so, and further stated that I would like such request or permission in writing.

The General said he would like to have the men landed, and would address me a note to that effect, which he did (see copy herewith, translation D), and requested, or rather proposed, that the men should be quartered there, on the premises of the Nicaraguan Government house, which I told him I could not do, as it would be misunderstood by all the people that we had landed to join forces with the Nicaraguans, and, moreover, it would be putting our own men in the way of immediate conflict with the people, and I could not quarter them in the same compound with the Nicaraguan troops. He finally said we could make use of the court-house as barracks, and it proved to be admirably suited to the purpose, on high ground back of the settlement, and where our men have been very comfortable.

Immediately upon receiving permission to land, a light-draft steamer, furnished by the agent of the Southern Pacific Company, was sent to the bluff to bring our men up, and at 12.30 p. m. on the 6th instant they disembarked at the settlement, and, followed by an orderly crowd, marched to the court-house.

As soon as they landed, General Cabezas suggested that I should clear the streets of some groups of men who were assembled, and one of which had hoisted the Mosquito flag, but I told him that was not my intention. As will be seen from his letter (D), he would like to have me assume the control of the settlement, and was quite disappointed when I told him the substance of my written reply to him (copy herewith, E). Had I done so it would have meant a serious issue with the people and an occupation of an indefinite time until more troops could be obtained by him.

The cause of the attack upon the Government house is generally agreed to be due to the action of some of the employees of the acting commissioner in harshly treating some policemen who applied for their pay. Hard words passed and some or all of them were roughly handled and ejected by the soldiers, and it is supposed that after dark they and a lot of their sympathizers banded together and went to take revenge, and as arms are in possession of a large number of the people, the thing became contagious. It is quite sure, however, that the firing on the evening of the 5th, above referred to, was done by a mob, and had no other signification than to show the temper of the people, nor can it be connected with events which followed, except in an indirect manner.

After seeing our men properly disposed, I went to the United States consulate and asked the consular agent to get together as soon as practicable as many representative Americans as possible, and in a short time perhaps twenty assembled, accompanied by the British acting vice-consul and a few citizens of other countries. I stated briefly to them the object of our landing and our strictly neutral attitude as regarded the factions, and told them in what way we proposed to protect them, etc., and extended the same to British and any other law-abiding foreign residents, and counseled them to abstain from any participation in or interference with the contention going on.

While thus engaged a letter was brought to me which, upon opening, I found to be a proclamation (copy herewith, F) from Robert Henry Clarence, hereditary chief of Mosquito, to the effect that he has



resumed his rightful authority as chief of Mosquito, etc. I could see that there was no little satisfaction among the Americans at this turn of affairs, but I again counseled them to keep out of the political agitation, and to advise others to do the same.

After the gathering at the consulate had dispersed I called on the Mosquito Chief, who was still domiciled at the British consulate, and had a few words with him, but of no special import, and then went again to see General Cabezas, who admitted that the situation was complicated, but he could do little but report matters to his Government.

Our men being comparatively few in number could not be posted about the town, nor was it expedient that they should be, as the streets are quite dark at night and they could not support each other or perform useful service in such small groups as we should have to make, so good-sized patrols were paraded at intervals through different sections of the settlement simply to be seen and to give assurance to our people that we were on the alert.

As soon as the Mosquito Chief had proclaimed himself he appointed as chief of police an American, a Texan, I believe, by the name of Folks, or something similar, and he looked quite equal to any emergency. A police force was hastily organized and did good service in preserving order. There were no other police, and General Cabezas and his few soldiers were as good as besieged at the Government house, as none of them could venture out with impunity.

Late this same afternoon a party of volunteers from the Mosquito faction, or their sympathizers, went down to the bluff in two small boats, with about fifteen armed men, arriving there just before sunset. At the custom-house at the bluff were three Nicaraguan military officers, ten men, and a 7-pound Krupp field gun and about two hundred stand of arms and some ammunition. The party from the settlement surprised them, shot and killed two soldiers, wounded one, captured the officers and arms, and brought them up to the town and planted the gun in the main street, pointing toward the Government house, and I was told then sent word to General Cabezas demanding that he turn over the Government with its archives, etc., and giving him until 8 o'clock the next morning to reply. I can not find out yet whether the attack on the Nicaraguan soldiers was authorized by the Mosquito officials or not, or whether they knew anything about it until after it was accomplished, but by subsequently entering into negotiations as to the disposition of the arms, they practically became a party to the serious charge of perpetrating an act of war against the sovereign State of Nicaragua, and I doubt if they yet realize the gravity of such an act.

Everything was quiet in the settlement during the night, with the exception of the murder of a colored woman, who was stabbed and killed in the main street by a colored man, the result of a quarrel, which had no bearing on the situation. The murderer was quickly arrested by Americans and lodged in jail. At 7 o'clock the following morning I went to see General Cabezas, and he explained to me the gravity of his situation; alone in the Government house with his few men, and an angry populace, well armed, against him, with the field gun in their possession, it would be but a few moments' work to annihilate them and burn the Government building.

He asked my advice as to a proper course to pursue under the circumstances. I told him I did not feel competent to advise, as I could not put myself in his place, but thought that in face of an overwhelming force it would be wise to make the best terms he could, and that I had heard a number of people say that if he would simply resume the

duties of acting commissioner, and would withdraw the Nicaraguan soldiers, tranquility would be restored. He then asked me if I would go in his name to the Mosquito chief and make such a proposition, further stipulating that the provisions and arms captured at the bluff should be given up, and that safety should be guaranteed to himself and any Nicaraguan officials.

I accordingly went to the chief's quarters (in British consulate) and told him I had an important communication to make, and requested that he would get in some of his counsellors and the American and British consular officers. He sent out for Mr. Patterson, the vice-president of the Mosquito council, Mr. Cuthbert, the attorney-general (his former guardian), and one or two others, and the American and British consular officers being present, I stated General Cabezas's terms, and after a good deal of discussion they agreed to all except the delivery of the arms, and stipulated that General Cabezas should at once notify Nicaraguan officials in all towns within his district that Mosquito authorities were in power and were not to be interfered with. I immediately went to see the General and stated the case, but he still stood out for the arms and urged me to use my good offices to secure them, and if no other way was open to receive them myself. I went back again and urged the Mosquito officials not to impede a final settlement, and as this was the only point not agreed upon, said I would receive the arms and take them out of the neighborhood; they said they must talk to the people, who were much excited over the matter, and retired for awhile, then returned and asked me if I would say a few words to the crowd, about 200 negroes, creoles, and Indians, gathered outside, and explain matters to them. So I went out and told them it was the intention of General Cabezas to withdraw all Nicaraguan soldiers within an hour after they had arrived at a settlement, and urged them not to be unreasonable, but to be guided by the advice of their recognized leaders. There were some dissenting voices, but finally they gave in and called for "three cheers for the captain," and I hastened back to tell General Cabezas, and in a short time the Nicaraguan soldiers embarked in a river boat for Rama, there being no demonstration. The Government offices were turned over at once to the Mosquito officials, the gun was taken from the street, and things quieted down at once. I accompanied the chief officers of the Mosquitoes to the Government house, where some matters of detail were attended to.

In all these matters I merely acted as a disinterested third party and as a medium for communication between the others. As regards the arms, it seemed the only way to settle matters, and considering the state of the community it was desirable that tranquility should be restored as soon as possible. The arms have not yet been turned over to me, and I am told that the rifles were distributed the night they were captured. We took the breech plug from the field-piece and have it in our possession.

This final wind up took place on Saturday, the 7th instant, and I went off to the ship for the first time in several days and ran down to Port Limon to send a telegram to the Department as to events, returning this morning.

I had intended to embark our men to-day, but the Americans are uneasy and apprehensive lest a Nicaraguan force should appear and a conflict follow, so I decided to have them remain where they are for the present. Things will remain quiet until Nicaraguan troops come back.

The Mosquitoes have been reorganizing and perfecting their govern-

ment. From what I have seen of them they impress me as lacking strength of character and have not the elements necessary for self-government. The young chief is merely a puppet, and is neither bright, clever, nor well educated. It is a well-known fact that they are guided by the influence of foreigners, some of whom are Americans, and for that reason the foreigners welcome their régime.

The dangerous element here is a lot of Jamaica negroes and their descendants, who form part of the Mosquito faction and who entertain a deadly hatred of the Nicaraguans, or Spaniards, as they call them.

I think I am safe in saying that every foreigner in the community rejoices at the turn of affairs, as the Nicaraguan Government had made itself so unpopular, had imposed taxes which will probably be immediately repealed, and had been oppressive in various ways.

I have no idea who instigated the recent movement regarding the restoration of the Mosquito chief; they took advantage of a moment of disorder when the people were practically in arms against the Nicaraguans and achieved a success.

I received word from Lieutenant Bowman this morning that General Cabezas had expressed fears for his personal safety, or that he would be seized and perhaps held as a hostage in case the Nicaraguan soldiers should return, and as he is certainly in a most trying situation, having sent every one of his men away, and is an official of a friendly State, and was not and is not engaged in hostilities, I thought it but an act of humanity to write him a note, and told him if he thought that the Mosquitoes could not or would not keep their pledge as to his personal safety, he could go to our camp on shore, or come off and stay with me. He is in no sense a refugee.

Our consular agent, Mr. Seat, has been very thoughtful and assisted me in many ways; he is evidently thoroughly respected in the community and has taken a strictly neutral attitude throughout. \* \* \*

There is no telling what will be the upshot of this matter. It seems to me that the Mosquitoes had committed a grave error in attacking the national troops, and as they have no organization, no leaders, and no recognition as a sovereign state, their career is not likely to be a long one.

The foreigners here seem to be on excellent terms with the residents of the reserve, and apparently have nothing to fear at their hands unless there should be a general state of disorder.

The Department can scarcely appreciate the difficulty of carrying on any operations here at this time of the year. The heavy sea, constant rain, and great distance from the settlement render it extremely difficult to have communication, and there are days at a time when we could do nothing. What is wanted is a light-draft vessel, one not drawing over 12 feet, that could cross the bar and lay inside, and the landing and embarking of men is a source of serious anxiety. Our men have been protected from the sun and rain, and the only cause for uneasiness is the quality of the well water they have to drink. I did not consider it prudent to land the apprentice boys, of which we have about forty, and therefore left them all on board. Our men have conducted themselves with great propriety, have given offense to none, and have, I am sure, been by their presence a great relief to all the foreigners residing in Bluefields.

There is nothing more to add as regards the situation; people have not yet fully recovered, but there is nothing to fear that I know of until Nicaraguan troops are sent here.

Very respectfully, etc.,

CHARLES O'NEIL,  
Commander, U. S. N.

A.

*Mr. Seat to Commander O'Neil.*

UNITED STATES CONSULAR AGENCY,  
*Bluefields, Nicaragua, July 5, 1894.*

SIR: The accompanying memorial from citizens of Bluefields was presented at this office at 8 p. m. to-night:

The situation seems to justify the apprehensions and fears expressed in the said instrument, and I believe that out of the abundance of caution it would be well to place on shore as soon as possible a reasonable number of your marines for the protection of life and property.

[L. S.]

B. B. SEAT,  
*United States Consular Agent.*

B.

*American citizens to Mr. Seat.*

BLUEFIELDS, MOSQUITO RESERVATION,  
NICARAGUA, CENTRAL AMERICA,  
*February 5, 1894.*

SIR: We, the undersigned, American citizen residents of Bluefields, hereby request that you ask the commander of the U. S. S. *Marblehead* that a sufficient force of soldiers be sent ashore to furnish protection to us and our interests. Our reasons for this request are based on the facts of a disturbance this afternoon between the police and Nicaraguan soldiers.

The resignation of all policemen and leaving us entirely unprotected, the presence of suspicious armed persons in the streets, and threats that an uprising will surely take place during the night.

We urgently ask that you give this your immediate attention.

Very respectfully,

PAUL VETERHORST, M. D.,  
S. GOODSSELL,  
GEO. B. BECKLER,  
Y. T. BRYAND,  
E. T. RYDER,  
F. M. SOLOMON,  
G. B. WILTBANK,  
JAMES BROWN,  
C. W. KNIGHT,  
E. LEGIEN,  
Y. STEVENS, and ten others, and  
E. D. HATCH,  
*Acting British Vice-Consul.*

C.

*Commander O'Neil to Mr. Seat.*

U. S. S. MARBLEHEAD,  
*Off Bluefields, Nicaragua, July 6, 1894.*

SIR: Your communication of the 5th instant received at 12.30 a.m. to-day.

I shall make immediate preparations for landing some men, but before they land I desire to be informed whether or not the general in command (General Cabezas) has been consulted in the matter, and if it is also his wish that we should land men, or if he has any doubt as to his ability to protect the lives and property of American and other foreign citizens in the community.

I desire that the *Hazel Night* or some other suitable light-draft steamer be at the bluff as soon after daylight as practicable, and I shall send some men in to go on board of her ready for an emergency; but I do not wish them landed unless the consent of the Nicaraguan authorities is obtained, and request that it be so obtained in writing and sent to the officer in charge of the landing force.

Should our men land, please afford all assistance possible to the officer in charge to provide suitable shelter and quarters for the men.

I do not deem it prudent to send our boats and men in over the bar at night, but will send them in the first thing in the morning, so please have the *Night* back at the bluff as soon as possible, and send word as to the exact situation on shore.

Very respectfully,

S. Ex. 1—25

CHARLES O'NEIL,  
*Commander, U. S. N.*

D.

*Mr. Cabezas to Commander O'Neil.*

[Translation.]

BLUEFIELDS, June 6, 1894.

SIR: You have already knowledge of the lamentable happenings which occurred last night in this city.

Those have placed the social interests, and particularly the life of many innocents, in true danger. A mob, hidden by the darkness, surrounded the government's palace, opening fire against it, which lasted from 9 at night till 4 o'clock in the morning.

My soldiers [resisted] this unjustified attack with heroic resignations, withholding within their advantageous positions out of fear to make other victims, as the real culpable ones; then, as you will understand, a discharge from the quarters would take the center of the city, and the houses being of lumber, many pacific persons who reposed in the bosom of their hearth would have been immolated.

With the object to persist in this policy of clemency and conciliation, I have thought that there is nothing better under the actual circumstances than to place the guarding of the city, in such as refer to the police department, into the hands of the honor-principled marines which you command; meanwhile my Government receives exact notice upon the particular point. And as I have heard of your words of amicable cordiality, I allow myself to ask your assistance with a guard of marines, which shall do the service under the orders of their immediate chiefs and by request of the constituted authorities. This force shall make that the regulations of police be complied with the laws, which these abnormal circumstances be issued to secure order.

The mentioned police force shall do their service with the formalities of the martial law.

I think from twenty-five to fifty marines are sufficient to comply with the mission to guard order.

I hope your answer over the particular, and meantime subscribe myself your respectful and obedient servant,

R. CABEZAS.

E.

*Commander O'Neil to Mr. Cabezas.*

U. S. S. MARBLEHEAD,  
Off Bluefields, Nicaragua, July 6, 1894.

SIR: I have the honor to acknowledge the receipt of your communication of this date, informing me of the disturbance in the settlement of Bluefields last night by a mob, whereby the lives of innocent persons were endangered and the government house was fired upon, in which you practically state that the presence of an armed force from the vessel under my command is necessary to guard the city.

I have also received a memorial from the foreign consuls and a number of American citizens requesting me to land men for their protection, and under existing circumstances it seems prudent to do so, and a force will be landed forthwith, but I can not undertake to guard or police the city, as that duty must devolve upon the authorities.

The object of landing my men is to protect the lives and property of American citizens residing in this community, and of the law-abiding citizens of other foreign countries, whom you are unable to protect.

My officers and men will receive strict orders not to interfere with or show favor or partiality to persons or parties on shore, or show political preferences of any kind; but it is hoped that the moral effect of their presence as a strictly neutral force will have a salutary and restraining effect upon the lawless members of the community.

Very respectfully, your obedient servant,

CHARLES O'NEIL,  
Commander, U. S. N.

F.

*Proclamation.*

I, Robert Henry Clarence, hereditary chief of Mosquito, do hereby proclaim: That I have reassumed my rightful authority as Chief of Mosquito, and I call upon all law-abiding and loyal residents to obey my authority and that of my officers.

ROBERT HENRY CLARENCE,  
Chief of Mosquito.

BLUEFIELDS, MOSQUITO RESERVE, July 6, 1894.

[Inclosure 3 in No. 83.]

*Commander O'Neil to Mr. Herbert.*

U. S. S. MARBLEHEAD,  
*Off Bluefields, Nicaragua, July 13, 1894.*

SIR: Not much has transpired at Bluefields since the 10th instant, the date of my last report.

On the afternoon of the 11th General Cabezas, with a few Nicaraguan civil officials and sympathizers, left for Rama with all their effects, thus leaving this section entirely in the hands of the Mosquitoes.

Before he left I called on him, and he thanked me very much for the offer I made him the previous day, that is, to go to our camp or to come off to the ship if he desired, both of which he declined. I told him that if any military operations were contemplated against Bluefields I ought to be informed and the people given due notice, as the place was full of women and children and noncombatants, and many of my countrymen, whom it was my duty to protect, and asked him to give me his assurance that there should be no surprise and no night attack. He said he could not say that there would or would not be operations against the place, but that if there were and he had anything to say in the matter that proper notice would be given. I don't know what dependence can be placed upon such assurances, but I thought it well to demand them.

The departure of all the Nicaraguans is a source of serious concern to the Americans, as there is now no one here representing the sovereign authority of the Republic, and I must confess I have grave apprehensions as to the fate of this settlement. I asked General Cabezas if nothing could be done toward an adjustment of the difficulties, so that people could be relieved from the mental strain under which they were now suffering, and that business might go on, etc. He replied that they (the Mosquitoes, aided and advised by the foreigners) have trampled on the flag of his country, killed her soldiers, and fired upon the Government house, and he was not empowered to speak or say what Nicaragua's views would be, but if a settlement was desired, the only way he knew was to restore everything as it was before the attack, and then talk about terms.

I have been on shore most of the time of late, and yesterday asked some of the leading Mosquito officials what they proposed to do, and the replies were to the effect that they would maintain the stand they have taken by force of arms if necessary. When I asked if they had any organization or military leaders they shrugged their shoulders and said, "No." They are counting on the arrival of a British man-of-war, many of the more intelligent and prominent among them believing that the British will protect and uphold them in the stand they have taken, and, as they express it, insist upon the Nicaraguans carrying out the treaty of Managua.

I think they have done an unwise thing, and am sure that some of the more thoughtful ones are of the same opinion. I understand now that the Mosquito officials disavow the affair at the bluff, when the Nicaraguan soldiers were shot, and say they knew nothing about it until it was over, which is probably the case; but they did, however, turn the episode to their advantage.

Yesterday the Mosquitoes sent off to this ship the captured field piece and some ammunition, and 38 Remington rifles, which are somewhat of an elephant on our hands, but really I think there would have

been no compromise, and would have been bloodshed in the settlements had I not consented to take it.

General Cabezas asked me yesterday when and where I would deliver it, and I said, not where it could be used upon this community, as that was the object in placing it in the hands of a third party; he then asked me to deliver it at Corn Island, only 40 miles from here, when he should send some soldiers there, but I think that would be an act of bad faith and that I had better keep it until matters are settled in this vicinity.

There has been trouble also at Corn Island; a revolt of some kind broke out there a few days ago, and I have been told that some Nicaraguan soldiers were shot by the creoles, but that the latter were put down, and Mr. Mongrio, late judge of the peace here, a Nicaraguan, has gone to the island to settle matters.

An American named Wiltbanks is now acting as magistrate under the Mosquitoes, in Bluefields; he seems to have a good deal of influence in keeping order, and has organized a police force of some fifty men, and at night at every few rods people are halted in the streets by policemen armed with rifles, and the settlement is quiet and orderly; but the people are in a state of great alarm and uneasiness, especially the foreigners. I have told them they must come to our barracks if there is an outbreak, as I have not men enough to scatter throughout the settlement, and also said that in case of alarm if they would send word to our camp we would send an escort and see them safely there.

Yesterday I sent an armed boat with 1-pounder gun and small detachment to locate at "the bluff," at the entrance to the lagoon, as there are three wharves there, and some warehouses and sawmills, the property of Americans, which seemed to require looking out for, and we can not keep our boats, that is the steam cutter, in the water alongside, nor hoist her in and out with safety, and yet require her services; so she lays in at the bluff, and we have a signal code arranged at the settlement and the launch and ship. I had to put a petty officer in charge, as we have four line officers at the settlement and only three left in the ship, having no junior officers on board.

The executive council of the Mosquito Government consists at present of J. S. Lampton, American, agent of Southern Pacific Company; Charles Lobner, American, from Pearl Cay Lagoon; H. T. Springer, American, bookkeeper; W. H. Brown, Canadian, Agent Morgan Line steamers; S. H. Hodgson,<sup>1</sup> negro, landowner; G. S. Hodgson,<sup>1</sup> negro, landowner; H. C. Inghram,<sup>1</sup> half-breed, merchant; W. J. Cuthbert,<sup>1</sup> Jamaica negro, former attorney-general; Charles Pattain(?),<sup>1</sup> Indian, former vice-president.

They have been holding meetings, and so far I understand their efforts have been in the direction of "ways and means;" in arranging for carrying on the government, collecting the revenue, etc.

General Cabezas carried off the books and records of the provisional government, which he said belonged to Nicaragua; but he told me the day before that the Nicaraguan Government never recognized the provisional council.

It is a pity that these people, the Mosquitoes, have not some one to advise them and look out for their interests, for they are surely not competent to do it for themselves. The agitators are, as usual, of the class who have nothing to lose. Many of the better class of Americans here say that they would be thankful to get out of the country if they

<sup>1</sup> Members of old government.

could realize fifty cents on the dollar on their property, and all this commotion is directly due to the forcible occupancy of "the reserve" by the Nicaraguans.

No one knows what will happen next, but the wildest rumors are afloat, and the community is in an unhappy frame of mind. They (the foreigners) say they feel comparatively secure while we have men on shore, and consequently I shall not withdraw them at present, but do not like the idea of having them remain a long time, as it is very rainy and damp, and I am somewhat apprehensive of fever and malaria, but so far all are well and in good condition.

Our force is not very strong numerically, as I do not think the moral effect of sending the apprentices on shore, many of whom are mere boys, would be good.

"The Chief" Clarence has left the British consulate, where he has been domiciled for several weeks, and has gone to his own residence in the settlement.

The most unsatisfactory aspect of things at present is that no steps are being taken looking toward an adjustment of matters, and the Mosquitoes are in fact in an attitude of hostility toward the supreme Government. They simply say that they have only resumed the rights which belong to them and of which they were forcibly deprived by the Nicaraguans in February last.

The welfare of Americans and their interests are not permanently benefited by the presence of an armed force, which simply gives them temporary security. What is wanted is peace and some established order of things, that business may go on and the industries that have been built up by American enterprise and capital may not be destroyed.

It is impossible, in my opinion, for the Mosquitoes to maintain the stand they have taken without outside aid, and while at present any proposition to compromise would undoubtedly be received with great disfavor by their party, it is probable that the wiser and more thoughtful people would realize the necessity of coming to terms with the supreme Government.

In view of the unusual interests which Americans have in this vicinity, and which will be vitally affected by the final settlement, it seems as if the friendly offices of the United States might be invoked to aid in bringing about some adjustment rather than have it settled by bloodshed.

Nicaragua can afford to be patient, and I do believe that some satisfactory solution of affairs could be reached that would save this little community from destruction, but there seems to be nobody who has the ability or the good judgment, on the part of the Mosquitoes, to propose anything, and there are no Nicaraguan officials here, and so we simply wait for further developments, without any idea as to what their character may be.

The Department may rest assured that I shall preserve strict neutrality so far as we are concerned.

Very respectfully, etc.,

CHARLES O'NEIL,  
*Commander, U. S. N., Commanding.*



[Inclosure 4 in No. 83.]

*Commander O'Neil to Mr. Herbert.*

U. S. S. MARBLEHEAD,  
*Off Bluefields, Nicaragua, July 14, 1894.*

SIR: I have just received information that a Norwegian steamer named the *George Seeley*, en route for Bluefields from New York, is wrecked in Roncador Reef, and were it not that the situation here demands the presence of this vessel would go immediately to the scene of the disaster. One of her boats has reached this place, and fortunately there is a small steamer here which has been secured to go to the wreck. I have not learned whether any lives were lost or not.

The weather has been so rough that no communication has been held with the settlement until late in the evening, when our steam cutter brought out to me a document in Spanish, of which a translation is inclosed, said document being a protest, as it were, emanating from the provisional council, against the acts and utterances of the party or faction headed by Robert Henry Clarence (the hereditary chief). It will be observed that no protest is issued in the name of the sovereign power, but in the name of the provisional council, which has been for some time a myth, as, in point of fact, General Cabezas, the acting commissioner, told me himself it was merely a figure of speech. For some reason nothing is done in the name of Nicaragua, but this provisional council, which General Cabezas told me his Government did not recognize, is always put to the front and everything is done in its name, implying that the Government of Nicaragua is not meddling with the affairs of the reserve, but it is patent to everybody that its officials are acting under orders.

I have a note from Lieutenant Bowman, in charge of our men on shore, saying that the consular agent thought of sending the archives of his office to our barracks, and that of course he would receive them.

All kinds of rumors are afloat calculated to alarm the people, but in view of present circumstances that is to be expected.

The D. H. Thomas who signs the inclosed copy is said to be a very shrewd and clever colored lawyer, who was the brains of the provisional council, and who worked in the interest of Nicaragua. H. G. Higley is an American who held the position of land commissioner under the provisional council, and is the only American I have heard of who has not been opposed in sentiment to Nicaraguan rule.

General Cabezas has addressed me a letter from Rama, which has not as yet been wholly translated, but which appears to be simply an argument to show the Nicaraguan Government has been outraged and insulted.

Very respectfully, etc.,

CHARLES O'NEIL,  
*Commander, U. S. N., Commanding.*

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A.

On the Escondido River, in the Mosquito Reservation, at the hour of 4 p. m. of the clock, this 12th day of July, 1894, the members of the provisional council of the said Mosquito Reservation, assembled by request of the President to consider and deliberate upon the events which occurred at Bluefields on the 5th and lasted until the 8th of July instant.

The acting commissioner (General Cabezas) informed the board that on account of very peremptory duties imposed upon him by the occurrences referred to, he had

appointed in his stead as president of the council Mr. D. H. Thomas, who was immediately called upon and invited to accept the duties of the office.

Under the presidency of Mr. D. H. Thomas it was laid before the council, for its consideration, a proclamation issued by Mr. Robert Henry Clarence, in which he declares having resumed power and authority in the Mosquito Reserve, which had been withdrawn from him by the authority of the sovereign power, and in virtue of a special convention entered into by the Nicaraguan commission and the consul of Her Britannic Majesty.

The council declared that the action of the said Robert Henry Clarence, apart from being illegal, constitutes a flagrant usurpation of authority, accompanied with crimes of the following nature:

(1) The crime of high treason, because proofs have been produced that the Mosquito flag had been hoisted and kept floating without the emblem of the sovereign power, and the outrage of destroying and tearing the Nicaraguan flag to pieces was committed.

(2) The crime of rebellion and insurrection with armed force, because the natives and other inhabitants of Bluefields were parading the streets armed with rifles, and maintained an open and constant fire from 9 p. m. on the 5th instant until 4 a. m. on the following day upon the residence of the Nicaraguan commissioner, at the same time vociferating and uttering seditious language, disturbing the public peace, threatening violence, and putting the lives of peaceful inhabitants of the city in great danger.

(3) The crime of assassination, committed on soldiers of the Republic of Nicaragua who had charge and custody of the Bluefields Bluff and a piece of artillery stationed thereat, said soldiers having been surprised and murdered without mercy.

(4) For having disowned and disacknowledged the sovereign power of Nicaragua, in intimidating and ordering the representatives of the Republic and military chief of the Atlantic coast to surrender and deliver the arms in his custody. The council further declared that the government of the usurpers has for its foundation and basis the ignominious crime of murder and the unwarrantable shedding of blood, and [includes] all the aspects of the abominable crime of high treason.

That considering the necessity measures of reprehension and censure until the supreme Government be informed and adopts such measures as it may deem convenient, the provisional council in legal assembly declares:

(1) That all acts, actions, decrees, laws, and other dispositions made, sanctioned by, and emanating from Robert Henry Clarence, or by his council, shall be, and are, declared null and void.

(2) That all employees of the government of the said Robert Henry Clarence be warned not to pay or receive any rent or rents of the Mosquito Reserve, nor to contract any obligation in its name.

(3) That all those who support and encourage or otherwise help and serve the present régime which has been brought about by force of arms and bloodshed on the nights of the 5th and 6th of July instant, shall be, and are hereby, declared accomplices of the crime of rebellion.

A copy of the present decree, jointly with the minutes of this meeting, shall be forwarded to the Nicaraguan commissioner for transmission to the supreme Government and to the American and British consuls resident at Bluefields.

DENNIS H. THOMAS.

H. G. HIGBY.

JESUS MONTEREY.

NARCISO BARBORENA.

O. LACAYO.

A. AUBERT, *Secretary pro tem.*

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No. 84.

*Mr. Guzman to Mr. Gresham.*

[Translation.]

LEGATION OF THE REPUBLIC OF NICARAGUA,  
Washington, July 27, 1894.

SIR: As I had the honor yesterday verbally to inform your excellency that I would do, I now send you two documents which go to show that my Government has acted with the utmost rectitude and good faith in the case of the murder of the American citizen, Wilson, which

is so much to be deplored. All possible efforts have been and will continue to be made in order to capture the offender, for, as I have repeatedly assured your excellency, my Government earnestly desires to prevent so heinous a crime from going unpunished.

I reiterate, etc.,

H. GUZMAN.

[Inclosure 1 in No. 84—Translation.]

*Mr. Madriz to the American Consul.*

BLUEFIELDS, April 2, 1894.

HONORABLE SIR: I have the honor to transcribe to you a communication which I have this day addressed to the inspector-general of the Atlantic Coast:

While you are at Rama, engaged in the performance of the duty which I this morning had the honor to assign to you, I wish you to devote special attention to securing the arrest and imprisonment of the criminal Norberto Argiello, who murdered the American, Mr. Wilson. This is urgently required by justice and by the necessity of giving a warning to others who may be criminally disposed. I trust that you will spare no pains to attain this end.

In bringing the foregoing to your notice, I take pleasure in further stating that I have sent a telegram, via San Juan del Norte, to the minister of justice, requesting him to communicate with the judicial authorities of all places in the interior where the aforesaid criminal may be arrested, and that I have sent a circular note to the governors of San Juan del Norte, Rio Grande, Prinzapolka, and the district of Cape Gracias à Dios.

With all consideration, etc.,

JOSÉ MADRIZ.

[Inclosure 2 in No. 84.]

*Mr. Madriz to the Governor and Intendent of San Juan del Norte.*

BLUEFIELDS, April 2, 1894.

*To the Governor and Intendent of San Juan del Norte.*

SIR: Norberto Argiello, who killed an American citizen, has escaped from the jail at Rama. If he comes to San Juan del Norte arrest him and send him under a strong guard to the governor (of Pol.) of the district of Siquia, who is the proper magistrate to take cognizance of his case.

Your obedient servant,

J. MADRIZ.

[Inclosure 3 in No. 84—Translation.]

*Mr. Cabezas to the Governor of Bocas del Toro.*

BLUEFIELDS, June 20, 1894.

SIR: I have learned that Norberto Argiello, who has committed the crime of murder, is at Bocas del Toro. This criminal made his escape from the jail here on the 9th ultimo, and the aggravating circumstance in the case is that this is his second offence, he having previously escaped from the jail at Rama. Argiello killed an American citizen named William Wilson, and, owing to the fact that the murdered man

was a foreigner, the act has given rise to a difficulty with the American Republic. In view of the cordial relations existing between the Government of Columbia and that of Nicaragua, and of the fraternal bonds which have united the two nations, I have thought that a request from me would be favorably received by you, especially since public justice has been doubly outraged by the criminal, and since the credit of the Nicaraguan authorities may be said to be at stake, inasmuch as they are charged, although unjustly, with partiality in this matter.

I beg you, in virtue of the foregoing, to be pleased to issue orders for the arrest of the aforesaid Argüello, and to place him in secure custody until the minister of foreign affairs can present a formal demand for his extradition.

Offering you reciprocity in similar cases, I have the pleasure, etc.,

R. CABEZAS, *Commissioner*.

No. 85.

*Mr. Adee to Mr. Bayard.*

DEPARTMENT OF STATE,  
Washington, August 2, 1894.

SIR: I inclose for your information copies of the papers named below relating to political affairs in Nicaragua.

You will observe that Captain O'Neil and Mr. Braidá both represent that the responsible and reputable American residents of the reservation took no part in the rising.

I am, etc.,

ALVEY A. ADEE.

[Inclosures.]

1. From the United States consul at San Juan del Norte, July 11,<sup>1</sup> 1894, to the Assistant Secretary of State—copy.

2. From the Secretary of the Navy,<sup>2</sup> July 27, 1894, to the Secretary of State—copy.

No. 86.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE,  
Washington, August 4, 1894.

SIR: I have received yours of the 14th ultimo, reporting the communication made to you by the minister for foreign affairs in regard to the uprising at Bluefields.

It is noted with interest and some surprise that the report of General Cabezas to Senor Madriz speaks of the rising as "led by a Hollander, Reuling," inasmuch as the chief of police of Bluefields is or recently was of the same name and nationality.

While the statements of Senor Madriz and those received here from the commander of the *Marblehead* agree in attributing the rising to the negroes, the alleged participation of the American residents of Bluefields is denied by our recent advices. According to Captain O'Neil

<sup>1</sup>See No. 70.

<sup>2</sup>See No. 83.

but two or three citizens of the United States are implicated. Captain Seat reports that the American residents did not participate in the disturbance.

You will use your best efforts to prevent the punishment of peaceable Americans for the criminal acts of other alien sojourners in the reservation.

It is regretted that your illness and obstruction of communication precludes you from more fully and promptly reporting in regard to the alarming situation at Bluefields.

Our naval force at that point has been increased by the detail of the *Columbia*. This is believed to be adequate for the protection of legitimate and unoffending American interests there.

I am, etc.,

W. Q. GRESHAM.

No. 87.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
Managua, August 8, 1894. (Received September 4.)

SIR: Your official dispatch No. 201, addressed to this legation, in which you inclose a translation of a communication addressed to me by Mr. Madriz, late special commissioner to Mosquito, is at hand, and its contents carefully noted.

I endeavored to state to you as clearly as I could the reasons which prompted me in suggesting to Mr. Madriz, on the 5th of May, the removal of the troops from Bluefields to the bluff as a conciliatory measure. There was no hint of a denial of the sovereign right of Nicaragua to place their troops in Bluefields.

Mr. Madriz having made the order, through Commissioner Lacayo, the troops having been removed under that order, while Mr. Madriz was still in Bluefields, and having, in violation of that order, been returned to Bluefields by Lacayo, I deemed it my duty to call Mr. Madriz's attention to this additional evidence of the contempt with which that official continued to treat his superior's orders.

It was this point only I sought to keep in his mind and yours (since you had already virtually, in your dispatch of May 23, asked Lacayo's removal); and this is why I did not, in illustrating this point, quote Mr. Madriz's explanation as to how he came to the conclusion to make the order referred to. There was never any question between him and me on that point.

I shall hereafter have all parts of all communications carefully translated and mailed to you.

I have, etc.,

LEWIS BAKER.

No. 88.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
Managua, August 8, 1894. (Received September 4.)

SIR: On the evening of August 2 Mr. Gustavo Guzman came to this legation bearing, as he informed me, a verbal message from the President, to the following effect:

First. That this Government had sent a large number of troops to

San Juan del Norte, where they had just arrived, on their way to Bluefields.

Second. That this Government had chartered the steamboat *Yulu*, a boat owned by the Emory Company of Boston, flying the United States flag, to transport these troops from San Juan del Norte to Bluefields.

Third. That now the captain and crew of the *Yulu*, all Americans, refuse to carry the soldiers, for the reason that Commander O'Neil, of the U. S. S. *Marblehead*, had issued a proclamation forbidding vessels under the flag of the United States from "carrying bodies of armed men or military supplies" for either "party" to the controversy in the Mosquito territory.

Fourth. The President, therefore, requested that I, as United States minister, issue an order to the captain and crew of the steamer *Yulu*, assuring them that they run no risk in disobeying the warning of Commander O'Neil.

I could not believe it to be my duty to comply with this request; but, at the suggestion of Mr. Guzman, I gave him the accompanying telegram, marked Inclosure No. 1, which he had liberty to send if he so desired. Inclosure No. 2 is a copy of the proclamation of Commander O'Neil referred to.

I have, etc.,

LEWIS BAKER.

[Inclosure 1 in No. 88.]

*Mr. Baker to Commander O'Neil.*

LEGATION OF THE UNITED STATES,  
NICARAGUA, COSTA RICA, AND SALVADOR,  
Managua, August 2, 1894.

Commander O'NEIL,  
*U. S. S. Marblehead, Bluefields:*

The Nicaraguan Government had chartered, as I learn, the steamer *Yulu*, belonging to a company of Americans, to carry troops from Grey Town to Bluefields. The President desires to know if this is contrary to your order commanding the neutrality of American citizens. Please answer in care of Consul Braida, Grey Town.

LEWIS BAKER,  
*United States Minister.*

[Inclosure 2 in No. 88.]

*Order of Commander O'Neil.*

U. S. S. MARBLEHEAD,  
*Off Bluefields, Nicaragua, July 14, 1894.*

*To the owners, agents, and captains of vessels under the flag of the United States trading in these waters:*

In view of the fact that there is in effect a revolution going on in the Mosquito Reserve between the chief of the said reserve and his followers and the provisional council, which in a measure through its President represents, or assumes to represent, the Government of Nicaragua, these parties being in a hostile attitude to each other, and the former being at present in possession at Bluefields, you are hereby cautioned and counseled not to interfere with nor take part in the affairs

of either faction by permitting vessels under your charge to engage in any military operations, that is, not to carry bodies of armed men or military supplies, knowing them to be such, for either party, nor to assist in any hostile demonstration; and should either party attempt to coerce you to do so, or interfere with you in the peaceful pursuance of your legitimate business, you are advised to utter a vigorous protest, to show this notice, and to communicate the facts of the case to me.

CHARLES O'NEIL,  
*Commander, United States Navy.*

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No. 89.

*Mr. Bayard to Mr. Gresham.*

EMBASSY OF THE UNITED STATES,  
*London, August 10, 1894. (Received August 20, 1894.)*

SIR: To-day, in a personal interview at the foreign office with Lord Kimberley, his lordship, referring to the presence of the two armed ships of the United States and Great Britain at Bluefields, said there would be no difficulty in their keeping order, and he deprecated very positively the use of the name of the Mosquito Indians as a shield under which foreign residents sought to wage war in opposition to Nicaragua, and said that the presence of the British vessel and armed forces had no other object or purpose than to protect the lives and property of British residents during a period of lawlessness and strife, and that the only desire of his Government beyond that was to induce the Nicaraguans to treat the Indians with forbearance and moderation, and not shoot them down, as they were very apt to do.

I took the opportunity to repeat what I had stated to his lordship on a former occasion—that the United States were wholly opposed to the employment of the fiction of a Mosquito government to organize an opposition to the Government of Nicaragua, which had no connection whatever with the customs and domestic usages of the Mosquito Indians, and that American citizens would not be allowed to set up any such government under any pretext.

I can but confirm, and need not here repeat, the views heretofore expressed to you in my dispatch of the 28th of May last, in relation to the attitude and purposes of Great Britain toward Nicaragua and the Mosquito Reservation.

What Lord John Russell wrote to Mr. Crampton in 1853 about Mosquito Indians who, instead of governing their own tribe according to their own laws and customs, were lending their name and title to a medley of Europeans and Americans to trade at Grey Town and Bluefields, not according to Indian usages and customs, but wholly in opposition to such usages, was true when his lordship so expressed it, and in the passage of events has been emphasized, and is to-day absolutely undeniable.

I am quite clear, however, that the easiest and most complete and satisfactory solution of any difficulty lies wholly in the power of the rulers of Nicaragua, who can, by the exercise of a wise and humane policy of treatment of the Indians of Mosquito, deprive the British Government of all possible pretext to interfere in any way with the practical and unqualified exercise of sovereignty by Nicaragua over the entire region.

Satisfied, as Nicaragua must be, that the United States have not the slightest desire to impair its full control over the Mosquito coast and will discourage all attempts from any quarter to impose conditions upon Nicaragua in the conduct of her domestic affairs—asking only that the legitimate rights of American residents may receive the just protection of equal laws—it is wholly within her power to give the treaty of Managua its full force and intent, and secure an unquestioned and unqualified sovereignty for Nicaragua over the whole territory by establishing such a condition of law and order that no pretext for interference can be set up in any quarter.

Such a course will insure to capital that safety that is essential to its voluntary presence and employment and promote the great work of joining the waters of the two great oceans, together with the infinite commerce that would necessarily stream across Nicaraguan territory, bringing her inhabitants into the closest and most profitable relations with the world's wealth and higher civilization.

The obvious wisdom of such a course is indubitable, for peace at home must be accompanied with prosperity, and a final abandonment of all attempts to subject Nicaragua to an interpretation of the Managua treaty by a foreign imperial Government (Austria), to which she most imprudently assented in 1879, without notification or consultation with the United States.

It is not the treaty of Managua, but the Austrian construction of that convention, which has given Great Britain the only possible ground of argument in favor of an interference, which is inconsistent with the sovereignty of Nicaragua over the Mosquito coast, and would involve in its acceptance an infraction, in letter and in spirit, of the stipulations of Great Britain with the United States in the Clayton-Bulwer treaty.

Undefined obligations are always the most embarrassing, and the trace of responsibility for the personal safety of a feeble remnant of an inferior and deteriorating race who were once under her protection in some degree survives, and creates hesitation on the part of Great Britain formally and finally to abandon her obligation to interfere when her former protégés are threatened with gross injustice and oppression.

This is made apparent by Lord Salisbury's note to Mr. Edwardes March 7, 1889, and has been accentuated in Lord Kimberley's conversations with me. Nor can there be any doubt that the condition of affairs in Nicaragua and in the Mosquito Reservation has undergone an entire transformation within the last thirty-four years, and is now more than ever rapidly progressing into a state in which no feature existing in 1859 can be traced.

I am fully persuaded that, with good temper and judicious and just treatment of her citizens inhabiting the Mosquito region, Nicaragua will be wholly undisturbed by interference by the United States or Great Britain, and assuredly by this time her rulers and people should be satisfied with the disinterestedness and friendly good faith which actuates the Government of the United States in all their relations with Nicaragua.

I am, etc.,

T. F. BAYARD.



No. 90.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, August 11, 1894.* (Received September 4.)

SIR: On the 29th ultimo, after our last mail for the States had departed, I received the letter from Minister Madriz, herein marked Inclosure No. 2. Inclosure No. 1 is my letter, to which he replies. The letter from Mr. Seat, referred to in this correspondence, was sent to you by Consul Braida, and my reply to that letter went to you in my No. 344.

I am, etc.,

LEWIS BAKER.

[Inclosure 1 in No. 90.]

*Mr. Baker to Mr Madriz.*

LEGATION OF THE UNITED STATES,  
 NICARAGUA, COSTA RICA, AND SALVADOR,  
*Managua, July 26, 1894.*

MR. MINISTER: I submit to you and through you to His Excellency, the President, for your and his information, two official reports received by me from Bluefields. Please observe that they are to be returned to me.

(1) In the fourteenth paragraph of Commander O'Neil's report you will not fail to observe the following:

But I must confess that I find that the sympathies of nearly all the foreigners are with the Mosquito government.

The reason (I think you will agree with me) is plain. Nicaragua has failed to give those people a more satisfactory government than the old régime did. In other words, Nicaraguan officials sent to rule those people have not, by their official acts, succeeded in gaining the confidence of the foreign citizens of the reserve. Confidence inspires loyalty. All those people can be made your warm friends and defenders if a just and conciliatory course is pursued by you.

(2) I call your attention to the report of B. B. Seat, esq., United States consular agent at Bluefields, made to Consul Braida. This report gives internal evidence of its unvarnished truthfulness. On page 8 of this report, Mr. Seat gives it as his opinion that no American of any standing, and perhaps no one, had anything to do with the late uprising.

(3) I beg to call your excellency's attention to inclosure No. 3. Such arbitrary, unjust, and utterly senseless action as the one here reported will not go a long way toward creating a public sentiment among the foreigners residing in the Mosquito Reserve for the Supreme Government of Nicaragua.

(4) A Mrs. Anderson, whose husband resides near Grey Town, called upon me yesterday, and stated that an attempt was made at Grey Town to collect a large amount of duties upon their household goods, effects, etc., contrary to law. But, as she said she was going directly to the proper minister about the matter, I presume she had no difficulty in having the matter adjusted in a just manner.

(5) My fourth inclosure is a telegram from Henry Palazio, esq., in reference to the mate of the steamship *San Jose*. If there is anything

either you or I can do to get this matter settled in a just way, kindly let me know.

I beg your careful and thoughtful attention to all of the inclosures; and I will ask you to preserve and return them all to me.

With sentiments of high esteem, I have the honor to subscribe myself, your obedient servant,

LEWIS BAKER.

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[Inclosure 2 in No. 90.—Translation.]

*Mr. Madriz to Mr. Baker.*

NATIONAL PALACE,  
Managua, July 28, 1894.

MR. MINISTER: I have read to the President your excellency's valuable communication of yesterday, and its contents have been well noted.

Your excellency is acquainted with this Government's policy toward the Mosquito Reservation. It is interested in the peace and prosperity of that region, by means of a system of liberty and justice. If unusual circumstances have prevented the fulfillment of its desires, the soundness of its principles remains beyond doubt.

I fully appreciate the fact that the foreigners and particularly the Jamaicans are more in sympathy with the old régime. It would be absurd to suppose otherwise. The reservation has been unconditionally under their control, and therefore the intervention of an authority which watches and corrects irregularities is not at all pleasing to them.

I have been pained to observe the harshness with which Vice-Consul Seat speaks of Nicaragua; but it is not the first time he has done so. During his recent visit to the United States the American press echoed his sentiments, which were highly offensive to the honor of this people. Such a thing is not becoming in one of his position, and I should be much pained if some day an official communication of that nature should pass between us, because I should be unwillingly compelled to call Mr. Seat to the path of decorum and procedure according to the practices of international law.

I especially call your excellency's attention to the closing words of Mr. Seat's letter to Consul Braida: "If an attack were made now it would be a very different thing from when Lacayo arrived here some months ago." These words contain a threat and show that Mr. Seat is in sympathy with the rebellion. They remain from now on, as a precedent for an investigation, which I shall make upon my arrival at Bluefields. I do not consider this latter as difficult as Mr. Seat thinks.

As to that relating to the detention of steamers, I have to say that as there is a custom-house at Rama, the entering or leaving the port at night is necessarily prohibited for the protection of the fiscal interests. If this is a detriment to private interests, much greater damage would be caused to the Government under a contrary regulation, because it would expose the port to smuggling.

Moreover, according to the laws of the reservation, ships carrying articles of commerce to any point therein are obliged to stop at Bluefields and have their cargo examined and pay the customs dues. Why does not Mr. Seat complain about this?

Notwithstanding the above, the Government knows that General Cabezas has reestablished, as heretofore, traffic at all hours.

It is evident from Mr. Seat's confession that Americans have taken part in the recent disturbances.

The policy which the Government intends to pursue in the Bluefields affair will be strictly legal, but dignified and firm. It will make peace if the offenders submit; but it can not overlook the spilling of blood on the bluff and at Corn Island.

The above remarks do not refer to your excellency, in whom I am pleased to recognize a frank and well-intentioned conduct. God grant that your excellency may be able to change Vice-Consul Seat's mind, and to convince the Americans that the Government of Nicaragua is not nor can be hostile to their interests.

As to the affair of Mrs. Anderson, the governor intendente of San Juan del Norte has been ordered not to collect the duties which, undoubtedly through error, had been imposed.

The case of the piloto (mate) of the *San Jose* is being tried according to law, and in this connection I must inform your excellency that the Government was pained to see the refusal of the captain of the steamer to deliver the offender, knowing that the ship and all persons aboard were subject to the jurisdiction of the port authority. A warning of this kind to the captains may, in the future, avoid illegal pretensions on their part.

I send a copy of this communication to our representative in Washington.

With all respect, I subscribe myself, your obedient servant,

JOSÉ MADRIZ.

No. 91.

*Mr. Herbert to Mr. Gresham.*

NAVY DEPARTMENT,  
Washington, August 15, 1894.

SIR: I have the honor to inclose herewith copies of two communications, both dated Bluefields, Nicaragua, July 21 and 25, respectively received from Commander Charles O'Neil, U. S. N., commanding the U. S. S. *Marblehead*, relating to the political situation in Nicaragua.

I have, etc.,

H. A. HERBERT,  
*Secretary of the Navy.*

[Inclosure 1 in No. 91.]

*Commander O'Neil to Mr Herbert.*

U. S. S. MARBLEHEAD,  
*Off Bluefields, Nicaragua, July 25, 1894.*

SIR: (1) In my last letter I referred to the fact that I had addressed a letter to the Mosquito chief, inquiring if he felt able to maintain order and guarantee the protection of Americans and their property, and inclose copy (marked A) of his reply.

I had an object in procuring his views in the matter, being inclined to the opinion that they would prefer to have our men embarked and the British sailors on shore, and I thought I would manage to have him

put himself on record and request me to continue our men on shore rather than to have him tell me later on that he did not wish them there.

Of course he speaks only through his council, in which are some Americans, and they are only too anxious we should remain; but leaving out the question of their wishes, I think prudence demands that they shall for the present stay on shore.

(2) In my first letter after the troubles broke out on July 5 I stated that the attack on the Government house, in my opinion, had no connection with the affairs which followed and was simply the work of a mob; but as things leak out and are talked about I am led to believe that it had been contemplated before, but was precipitated by the events of the day, that is, the nonpayment and harsh treatment of the police. On that evening not only were Jamaica negroes out in force, but some white men, and they were in search of one Dr. Kuhun and one Higley, two Americans who had been identified for some time with the Nicaraguan commissioner, and who were very unpopular, and had they found these two men that night it would probably have fared badly with them. Some Americans were with the crowd that night, and are anxious to prove now that, though they had arms, they did not fire on the Government house.

(3) Immediately after the chief had issued his proclamation on July 6 an American named George B. Wiltbank was appointed magistrate by the Mosquito party, and he appointed as chief of police an American named Folks or Foulke. The latter, as soon as he was appointed, wrote a letter to the Nicaraguan soldiers stationed at the bluff, directing them to surrender, and this letter was taken down by the party that surprised and captured them, and is said to be in the hands of Nicaraguan officials at Rama. Foulke has just left the country, I understand, being of the opinion that it would not be a good place for him here if the Nicaraguans return. He is said to have given as an excuse for his actions the reason that, as chief of police, it was his duty to remove as far as possible any causes which might lead to trouble, and so, as a precaution, he proposed to remove the Nicaraguan soldiers.

(4) On the day the trouble broke out (5th instant) a young American named Williamson, in the employ of the Bluefields Banana Company, in a half intoxicated condition, went into General Cabezas's office and flourished a revolver, declared himself "governor of Bluefields." I am sure the general would have been justified in having him locked up for breach of the peace, but he let him go.

(5) At Principulca I am told by good authority that the Nicaraguan governor got alarmed and left, and that the Americans elected one of their number as governor and hoisted the American flag, but that since then a Mosquito official has been there and installed a magistrate.

(6) I mention these matters to give the Department a correct idea of how Americans have mixed in local matters, and it will readily be seen how it complicates the situation. I think they are beginning to be thoroughly frightened, however.

(6a) Under Mosquito rule the planters hired or leased land at 3 cents an acre per annum for fifty years, and at present value of local coin their rental is 1½ cents per acre in United States currency. The Nicaraguans do not look with favor upon such leases.

(7) The inclosed letter (marked B) was received on the 24th from the British vice-consul, and seemed so urgent that I wrote a reply, saying that I would be glad to extend the same protection to such of Her Majesty's subjects who had not been participators in political affairs as

to our own people, and then hurried on shore to see what the matter was, and concluded that the vice-consul had become unnecessarily alarmed on account of a letter he had received from Rama.

That part of his letter in which he says: "What have we as foreigners to do with this question?" is, to say the least, entertaining, as the foreigners seem to have been at the bottom of the whole business, and Her Majesty's subjects are a pretty bad lot of Jamaicans, who are Mosquitos or otherwise, as suits the occasion. At first I thought they were working up a scare to get the British sailors on shore as soon as the *Mohawk* returned; but I think they were really alarmed, and my advice was, be neutral and remain tranquil.

(8) As the Department is aware, the chief, Clarence, was brought here from Pearl Lagone some weeks ago by H. M. S. *Magicienne*, and on July 3, just before the outbreak, the vice-president, Paterson, and attorney-general, Cuthbert, of the old Mosquito Government appeared on the scene, and it is thought that a coup d'etat was to be made, but not expected so soon or in the manner it finally assumed.

(9) There are a good many waifs of all nationalities in the community here, cast up by the collapse of the Panama and Nicaragua canals, and they are ready for anything.

(10) This vessel will probably have to go somewhere for coal in three or four weeks, and unless there is a marked improvement in the situation by that time we ought to have another vessel here, unless matters are left to the British war ship for the time being.

(11) The United States consular agent at Grey Town has written to our consular agent here that there is a prospect of trouble there of a political character, and they, too, would like to have a man-of-war visit the port.

(12) Some of the Americans here who have accepted civil office under the Mosquito Government, such, for example, as members of the council, have asked me how it affected their status as regarded their own country, and I have said that, in my opinion, in ordinary times if the Mosquito constitution permitted aliens to be members of its council, and they chose to give their services in such purely civil capacities, I did not think there was any impropriety, if by so doing they could benefit the community in which they dwelt, but that in times of political disorder they ran the risk of becoming entangled, and if they got into difficulty thereby they had not the same claim to protection as if they had taken no part, even though it be a civil one, in local affairs, and they become marked men and are liable to suffer in some way if the opposite side gains the ascendancy. They say they have great interests at stake, and so have many Americans, and it is only by taking part in such deliberative and executive bodies as are open to them that they can protect or have any say as to the management of their affairs.

(13) I believe that one of Nicaragua's arguments against the Mosquito Government is that it has been subverted and has lost its identity as a purely local government by and for the Indians, having passed into the hands of Jamaica negroes and other foreigners, which is doubtless correct, and since the port of Bluefields has become so important and so much foreign capital, mostly American, has been invested in the country, the foreigners found the Mosquito Government dominated by Jamaica negroes—so inefficient and ignorant and unequal to keep pace with the growth of the place that they were greatly dissatisfied, as there were no competent courts, nor means for protecting commercial interests in a legal way, and all important matters had to be settled "out of court"—

hence they felt it necessary for their own protection, when the way was open for them to sit in the council, to do so.

(14) July 26. H. M. S. *Mohawk* has returned from Port Limon and brings me a telegram dated the 19th instant, from United States Minister Baker, at Managua, to the effect that Madriz, the Nicaraguan minister of the interior, had left for Bluefields and would bring me letters from him (Baker). This is the most hopeful sign yet, as it indicates an intention on the part of Nicaragua to investigate matters rather than to resort to immediate violence. I sent a note to Rama at once to inform General Cabezas that Minister Madriz was on his way here.

(15) The commander of the *Mohawk* (Stuart) informed me that, in reply to a dispatch sent by him to his Government, he had been directed to abstain from any interference in local matters and to use his best efforts to prevent a conflict. If the Mosquito faction knew this, they would collapse, I am sure, for they have [been] counting all along on British support.

(16) Commander Stuart also told me he did not intend to land men unless it became absolutely necessary to do so to protect his countrymen, and he did not think it was advisable to have parties of sailors of different nationalities on shore at the same time, and I agree with him.

(17) Minister Madriz was here before, soon after the *Cleopatra* incident, and understands the situation fully.

(18) At this moment things are quiet, and there is no news to add concerning the situation.

(19) Commander Stuart of the *Mohawk* has written a letter to General Cabezas in a very friendly spirit, offering to use his good offices in any way to restore order, and saying that, if he will give him the names of any British subjects who took part in the attack on the Government house or on the Nicaraguan soldiers, he will take them to Jamaica and hand them over to the authorities there.

Very respectfully, etc.,

CHARLES O'NEIL,  
Commander, U. S. N., Commanding.

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A.

Chief Clarence to Commander O'Neil.

BLUEFIELDS, MOSQUITO RESERVATION, July 23, 1894.

SIR: I have the honor respectfully to acknowledge receipt of your letter of this day's date as follows: "As you are aware, a party of sailors and marines were landed from this vessel on the 6th instant, before you issued your proclamation on that day announcing that you had resumed your rightful authority, etc. The object of this landing was to protect, if necessary, American citizens and their property, which, owing to the disturbed state of the community, seemed to be insecure," etc.

In reply I beg leave to state to you that the same has had my serious attention and consideration, and I have observed that you say "before landing any men, I called upon the then recognized authorities, that is, upon the acting commissioner to the reserve, representing the Government of Nicaragua, and by virtue of his office as president of the provisional council, representing the local government, to ascertain if there was any objection to our landing, and in the presence of the United States consular agent was not only told that there was none, but that under the circumstances it seemed a prudent thing to do, and a written communication to that effect was given me."

I have also to commend your action as being a prudent thing, as the presence of your men insured confidence and prevented some serious consequences.

I observed also that you had said that you "would have withdrawn your men ere this but was requested not to do so by some of the Americans, who feared that permanent order had not been restored." I further see that you are desirous that your men should return to their vessel, and beg to inquire, as I have been in undisputed

possession of the place for sixteen days, whether I can and will guarantee the security of your countrymen and their property residing in this community or whether, in my opinion, it is desirable that you should continue your men on shore for a longer period.

As to my opinion, I could not guarantee the security of your countrymen or their property residing in this community from the attacks of any armed force or forces, but I am satisfied that the quiet and peaceable inhabitants are law abiding, and I have exercised my every influence to restore the peace and tranquillity of the people. Under these circumstances, as you have a personal knowledge of the state of the community, I would earnestly advise you to use your best judgment and discretion, with the advice of the commander of Her Majesty's ship *Mohawk*, as to the great interests of your countrymen and the safety of their families.

I have, etc.,

ROBERT HENRY CLARENCE,  
*Chief and President.*

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B.

*Mr. Hatch to Commander O'Neil.*

BRITISH VICE-CONSULATE,  
*Bluefields, Mosquito Reservation, Nicaragua, July 23, 1894.*

SIR: I have the honor to inclose a copy of a letter received this evening from Rama. Being so late I do not wish to disturb the American consul, but it seems of such importance that I think it better to advise you at once, in the absence of H. B. M. S. *Mohawk*, our lives and that of our families are in jeopardy. I ask your earnest consideration of our serious position. What have we as foreigners to do with this question?

In the name of Her Majesty's Government I ask your advice and assistance in such a grave matter. The three guns are in Rama. Please advise Captain Stuart of H. B. M. S. *Mohawk* on her arrival.

I have, etc.,

E. D. HATCH,  
*Acting Vice-Consul.*

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[Inclosure 2 in No. 91.]

*Commander O'Neil to Mr. Herbert.*

U. S. S. MARBLEHEAD,  
*Off Bluefields, Nicaragua, July 21, 1894.*

SIR: (1) I have previously informed the Department that General Cabezas, the acting commissioner to the Mosquito Reserve, had withdrawn to Rama, which is up the river Escondido about 60 miles above Bluefields, and just outside the limits of the reserve. He left here on the 11th, and arriving at Rama on the 12th declared that place under martial law on that date. A copy of his proclamation is sent herewith, marked B.

(2) On the 14th I received a petition from some of the native residents (copy herewith, marked A), followers of the Mosquito chief, asking me to protect them. I have not made any reply, as I can do nothing for them except to advise them to try and make some compromise.

(3) On the same day I received from the United States consular agent notice of the detention at Rama, by order of General Cabezas, of the tug *Ada Hart*, owned by an American Company (The Bluefields Banana Company); also of a barge at the same place belonging to the same company, containing 1,500 bunches of bananas, which had been cut to be shipped in the company's steamer *John Wilson*, then in the river below, but the tugs were not permitted to tow the barge below Rama.

(4) I immediately addressed a letter to General Cabezas, protesting against the restrictions placed upon American boats and demanding their immediate release.

(5) The next morning (the 15th instant) the Norwegian steamer *Espana* came out from the river and anchored near us, and a Mr. Orr, representing the firm of Orr & Lauberheimer Company, of Mobile, and a Mr. Tally, representing Messrs. Brown & Harris, agents for the Southern Pacific Company, all American firms and individuals, came on board with copies of protests made before the United States consular agent, to the effect that their tugs had been stopped from going below Rama and in consequence they could not carry on their business.

(6) As the *Espana* was chartered by the American firm of Orr & Lauberheimer and has only been permitted to take on board half her cargo, that is, fruit from above Rama only, I concluded that the best thing to do was for me to go up to Rama in her and see General Cabezas, and take such steps as might be necessary to enable the cargo below Rama, which was cut and on the river banks, to be shipped, to do which it was necessary that the company's tugs *Alerta* and *Buena Ventura* should be permitted to go down the river.

(5) I accordingly went on board the *Espana*, and she proceeded, stopping at the bluff to take in tow our steam cutter with crew of nine men and a 1-pounder gun, as I might require her to return in.

(6) Reaching Rama at 5 p. m., I went on shore and saw General Cabezas, and asked him what he meant by practically seizing steamers which were American property and engaged in their legitimate business. He began to talk about precaution and military necessity and that the town was under martial law. I told him I had come up to talk over matters with him, but before going further I had to request that he would give orders for the immediate release of the tugs, and that the *Espana* might be permitted to load and proceed on her voyage at once, as every hour's delay was disastrous to her cargo of fruit. After some little discussion the necessary orders were given, and the steamer and tugs proceeded down the river.

(7) I told General Cabezas that until the port of Rama was officially closed and notice thereof sent to the foreign consuls and naval commanders that American citizens, with their boats and other properties, should be allowed to pass unmolested, and that should he choose to close the port he must give due notice and allow foreigners to depart if they choose; and I asked him to sign a written assurance to the effect that he would guarantee it, but he did not like the form I put it in, but agreed in substance, and I secured the release of five tugs and launches owned by Americans. I was glad he released the boats, for I intended to take them down the river with me if he refused, and my visit was quite opportune, as three fruit steamers have arrived since, and had no arrangements been made as to the use of the tugs they could not have received their cargoes.

(8) I told General Cabezas his Government would have to pay for the 1,500 bunches of bananas he prevented the steamer *John Wilson* from taking.

(9) I regret to say that some injudicious Americans have been active participants in the political affairs now in such a tangle here. The Mosquito chief was undoubtedly induced to proclaim himself by promises of assistance from foreigners, and a few Americans have figured in a prominent manner in the Mosquito council and local government; and worse yet, it is pretty well known that at least two Americans were concerned in the attack on the Nicaraguan soldiers at the bluff.

(10) The Jamaica negroes, who form a large portion of the supporters of the Mosquito chief, seem to have been clever enough to make use of the willing services of some foolish Americans, and they have all



pinned their faith on the coming of a British man-of-war to support them in the stand they have taken.

(11) I advise them to try and effect some compromise or settlement in order that they may be relieved from their present state of anxiety, and the wiser ones are already beginning to agitate the subject, for they are getting tired of patrolling the streets at night and not knowing how they stand with the outside world. With perhaps a couple of exceptions, the Americans mixed up in [the] affair do not represent any interest worth speaking of. Those who stand best in the community have kept out of it, though their sympathies are not with the Nicaraguans, whom they consider oppressive, and the Mosquitoes they consider as incompetent.

(12) The trouble is, there is no one to make terms with who can be relied upon.

(13) Our men are still on shore, having been there two weeks. I would like to get them back on board, but the American residents are so worked up and alarmed lest there should be a Nicaraguan invasion that the men can not well be withdrawn at present, and as our force is small and the complications seem to increase rather than diminish, I sent a dispatch to the Department, via Port Limon, on the 16th, that another man-of-war was required, and as I see no prospect of a settlement, I think one is. A small vessel to enter the river would control the situation, or else a large one with a good-sized crew and plenty of officers, to lay outside.

(14) It is generally believed that the Government of Nicaragua will forcibly occupy the reserve as soon as it can do so.

(15) There is no particular change in the political situation, and nothing has been done as yet looking toward an adjustment of difficulties.

(16) The British man-of-war *Mohawk* arrived this morning from Kingston, Jamaica. Her captain had very vague ideas as to what had taken place, but had seen some exaggerated dispatches in the newspapers at Jamaica. He said he had no orders of any kind, and has just gone on shore to look about for himself. I gave him such information as I had concerning the state of affairs.

\* \* \* \* \*

(18) An Englishman named Salter was here a couple of days ago from Grey Town, and brought with him a letter from one Rivas, the governor of that place, addressed to "The rioters and revolutionists," commanding them, in the name of the President of Nicaragua, to disperse, and restore the former order of things, or troops would be sent to punish them, etc. This letter was presented to the Mosquito council, and Mr. Salter was informed that any written questions he might ask would be answered in writing, but he had no questions to ask, and has returned to Grey Town.

(19) On the 14th instant, having learned that a boat owned by Americans had been used for military purposes, I had a notice printed for distribution (copy herewith, C). The Mosquito chief addressed me a three-page letter in consequence, to explain that he and his followers were not revolutionists.

(20) There has been rioting at Corn Island and some overthrow of officials, but the Nicaraguans are still in power. Six or seven Jamaica negroes concerned in the matter, who claimed to be British subjects, were sent here to the British vice consul, but nobody wanted them here, and they were allowed to depart.

\* \* \* \* \*

(22) What the ultimate outcome of these affairs may be it is impossible for any one down here to predict. The Mosquito Government is and has been inefficient, and, should it continue, it would simply be the tool of influential foreigners, so that it seems to me that the best thing that could happen would be the absorption of the Nicaraguan Government of the Reserve, provided that the vested rights of Americans, secured under the Mosquito Government, should be secured to them by some binding obligation. Otherwise they will be sacrificed. \* \* \*

(23) Since writing the foregoing Commander Stewart, of H. M. S. *Mohawk*, has been on shore, and called on me on his way back. He told me what I already knew—that a Jamaica negro had gone into the shop of a Chinaman and pointed a gun at him in fun, which the Chinaman took in earnest, and shot and killed the negro. There was much excitement over the affair, and the negroes threatened to lynch the Chinaman, who was lodged in jail.

(24) Commander Stewart said that, just as he was leaving shore, the magistrate, who is an American named Wiltbanks, in the employ of the Mosquito faction, told him that the Jamaica negroes, who claimed to be British subjects (but who, in fact, are the disorderly and dangerous element of the Mosquito faction), had threatened to disturb the peace, and evidently some influence was brought to bear to induce Commander Stewart to land some men to keep "British subjects" in order. He said he asked to see some of the men who were conspicuous in the matter, and, on being confronted with them, he told them that if the Chinaman in jail was lynched he would hang the ringleaders in the affair. So far as Commander Stewart is concerned, I am satisfied that he is sincere in his desire not to become entangled with the affairs on shore, of which, as a newcomer, he has but little knowledge; but from what I know of the situation I fully believe that some pretext, even to a riot, if necessary, will be found by the Mosquito faction to get his men on shore, and even if they do nothing, it will be made use of by them to help along the Mosquito cause, as it will stiffen the backbones of the weak among them, who are taught to believe that England is behind them.

(25) Commander Stewart told me he was perplexed, and I advised him to form his own opinions after he had been here longer and understood matters, and not let people on shore do it for him. He said he did not wish to do anything that I disapproved of, and I told him that I certainly was not the judge of his actions, nor did I doubt his good faith in the matter, but if I thought at any time that his actions affected the political situation in any way, whether intentionally or unintentionally on his part, I should consider it my duty to report the fact to my Government.

(26) Commander Stewart said, finally, that he was going to Grey Town to send dispatches, to-morrow, and would simply leave an officer on shore here to look around and see what the conduct was of the turbulent Jamaica negroes.

(27) The arrival of the British ship *Mohawk* will have quite an effect upon the Mosquito faction, whose leaders were beginning to waver, but now they will brace up again, and the Nicaraguan commissioner at Rama understands this, for in speaking with me as to the possibility of coming to terms with the people here he remarked that, if done, it ought to be done before the arrival of the British man-of-war, showing that simply the presence of one would affect the situation.

(28) I see no urgent reason at the present moment why the British ship should land men, but I can see reasons why the supporters of the Mosquito faction desire to have them landed.

(29) There are no British interests or subjects here except the Jamaica negroes, who form the rank and file of the Mosquito party, as the Indians count for but little except from a sentimental point of view. These negroes are not in need of protection of anybody, unless it should be that the Nicaraguans come to take the place, in which case the British would hardly care to interfere, I imagine.

The negroes are an unruly set, and need keeping in order, but I should regard a landing on their account as more of a pretext than a necessity.

(30) When our men were landed, on the 6th instant, the Government of this place was in the hands of the Nicaraguan commissioner, who represented the sovereign authority, and the provisional council (of which this same commissioner was president) representing the local authority. I received a written request to land men, from said commissioner, before they were landed.

(31) It was but a few hours later on that date (the 6th) that the Mosquito chief issued his proclamation that he had resumed his rightful authority, and it was about noon on the following day that the Nicaraguans withdrew, leaving his faction in control.

(32) I have had no communication with the Mosquito party with reference to our men being on shore, but shall now go to them, they having had control for two weeks, and inquire if they can and will guarantee the security of Americans and their property, and see what they have to say, and shall also assemble the leading Americans and see what they have to say.

(33) The court-house, which our men occupy, and which is the only suitable place in the settlement, will probably be required for its legitimate use in August, and I should not know where to go if we have to leave it and remain on shore.

(34) While we have been located there we have had our ensign hoisted on a staff in front of it, not in any way to supplant the flag of the reserve, which flies from its usual place, and since the Nicaraguan commissioner went to Rama, on the 11th, no Nicaraguan flag has been hoisted. I heard by accident yesterday that some remark had been made as to the propriety of our flag being hoisted at our barracks, but everybody here knows our attitude, and I am sure that no significance has been attached to the fact, but in such a community and at such a time it seemed the proper thing, and no remonstrance was made by the Nicaraguan commissioner, nor, in fact, has any been made by the Mosquitoes.

Very respectfully, etc.,

CHARLES O'NEIL,  
*Commander, U. S. N., Commanding.*

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A.

*Citizens of Bluefields to Captain O'Neil.*

BLUEFIELDS, MOSQUITO RESERVATION, July 18, 1894.

SIR: We, the male natives of Bluefields, beg to put before you our humble request herein given.

In the incidents which took place on July 6 we did not intend in the least to be rebellious to the sovereign Government of Nicaragua.

As General Cabezas failed to govern and the place was left without a government, we with one accord requested our deposed chief, Robert Henry Clarence to reassume his legal authority. Our chief, after due consideration, consented, and on being reinstated demanded [of] General Cabezas a turning over of the government into his

hands. This general asked time for consideration, and in the meantime declared that he would "lay the niggers low" with his men and cannon, which he had at the bluff. Some of us, hearing his threats, volunteered to go and capture this bluff, guard, and cannon.

Having been successful in our undertaking, the General surrendered, falling short of his expectation. Report has since reached us to the effect that General Cabezas has gone to gather a force of 2,000 strong and to return and utterly destroy us and our properties—we who are only 300 in number, know no war tactics, are undisciplined in military organization, and, more than all, without arms and ammunition.

Of your mission here we are all well aware—for the protection of the lives and property of American citizens. Now, therefore, we, your humble petitioners, beg that in affording such a protection you will extend the same to us, our families, and properties, if possible. We are conscious of the nature of your petition, but, as we have said, we are utterly unable to withstand the threatened invasion. We beg to subscribe ourselves,

Yours, in earnest,

N. S. WILSON.  
CHAS. E. SMITH.  
LOUIS CAST.  
R. C. HODGSON.  
JEREMIAH HODGSON.  
ELISHA HODGSON.

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B.

[Translation.]

Rigoberto Cabezas, inspector-general of the Atlantic coast and general intendent of the district of Siquia, considering:

That the public peace has been disturbed in the city of Bluefields by an armed rebellion.

That it is the duty of the authority to resort to the best means for the maintenance of order and security to society in use of the faculties with which I am invested.

DECREE.

First. Declaring the district of Siquia in a state of siege.

Second. The common offenses during the existence of martial law will be judged by a military council.

Given in Rama on the 12th day of the month of July, 1894.

(Communicated.)

R. CABEZAS.

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C.

*Commander O'Neil to owners of American vessels.*

U. S. S. MARBLEHEAD,

*Off Bluefields, Nicaragua, July 14, 1894.*

*To the owners, agents, and captains of vessels under the flag of the United States trading in these waters:*

In view of the fact that there is in effect a revolution going on in the Mosquito Reserve between the chief of the said reserve and his followers and the provisional council, which in a measure through its president represents, or assumes to represent, the Government of Nicaragua, these parties being in a hostile attitude to each other, and the former being at present in possession of Bluefields, you are hereby cautioned and counseled not to interfere with nor take part in the affairs of either faction by permitting the vessels under your charge to engage in any military operations; that is, not to carry bodies of armed men or military supplies, knowing them to be such, for either party, nor to assist in any hostile demonstration, and should either party attempt to coerce you to do so, or interfere with you in the peaceful pursuance of your legitimate business, you are advised to utter a vigorous protest, to show this notice, and to communicate the facts of the case to me.

CHARLES O'NEIL,  
*Commander, United States Navy.*

## No. 92.

*Mr. Gresham to Mr. Baker.*

[Telegram.]

WASHINGTON, August 16, 1894.

Your dispatch, 344, received. Full advices from naval commanders show that very few American citizens were concerned in the recent movement at Bluefields, and none of good repute.

## No. 93.

*Mr. Gresham to Mr. Guzman.*

DEPARTMENT OF STATE,  
Washington, August 18, 1894.

SIR: In a recent dispatch the United States minister at Managua reports a conversation had with the minister of foreign relations, in which Señor Madriz seemed to be imbued with the idea that citizens of the United States were at the bottom of the trouble at Bluefields; and Mr. Baker adds that the assistant secretary, Señor Roman Mayorga Rivas, "announced the purpose of the Government to take down 1,000 troops and four cannon and butcher all the Americans in that territory if necessary to establish and maintain Nicaraguan rule there."

In my frequent conferences with you concerning the state of things in the Mosquito Reservation, I have had occasion to inform you that the advices received by this Government show that the citizens of the United States in Bluefields and vicinity, acting under the wise counsel of our diplomatic, consular, and naval representatives in that quarter, have, as a class, maintained an attitude of neutrality and submission to the authorities. These advices are repeated and confirmed by the latest reports of the United States naval commanders in Nicaraguan waters, which make it clear that but a few, perhaps three, Americans at Bluefields took part in the recent uprising in behalf of the so-called Indian government, and that these were men of little or no standing in the community.

The pain the President feels on learning of the prepossessions of the minister of foreign affairs is allayed by the belief that on his present visit to the reservation as the authoritative agent of his Government, the true position of the great mass of the Americans resident there can not fail to be apparent to him, and that the unjust impression he seems to have with regard to them will be speedily dispelled.

I can not, of course, suppose that the extraordinary utterances attributed to the assistant secretary of foreign affairs represent the sentiments of your Government, which has of late had too abundant evidence of the good will of the United States toward Nicaragua and too certain proof of our purpose to recognize and respect the sovereign rights of the Republic over all its territory, to allow of its harboring so unfriendly and biased a view as Mr. Mayorga Rivas appears to hold.

The naval force of the United States at Bluefields is charged with the duty of protecting American citizens there in the peaceable enjoyment of their legitimate rights of person and property. The com-

manding officers will doubtless counsel their absolute neutrality in the present deplorable state of affairs and due regard for the paramount sovereignty of Nicaragua over that region.

Accept, etc.,

W. Q. GRESHAM.

No. 94.

*Mr. Guzman to Mr. Gresham.*

[Translation.]

LEGATION OF THE REPUBLIC OF NICARAGUA,  
*Washington, August 18, 1894.*

SIR: I have had the honor to receive your excellency's appreciable communication of to-day's date, the original of which I am about to send to my Government for its consideration.

The Nicaraguan authorities in Mosquitia informed my Government that several American citizens had taken part in the seditious movement which lately occurred in the city of Bluefields, and it is probable that this is what the minister of foreign relations referred to in his conversation with the Honorable Mr. Baker. Dr. Madriz is thoroughly acquainted with the affairs of the reserve, since he has studied them on the very theater of events, and being, as he is, an intelligent, upright, and judicious observer, I am sure that he will know how to estimate things at their just worth.

As for the expressions uttered, as Mr. Baker assures you, by the secretary of foreign affairs of Nicaragua, Señor Don Roman Mayorga Rivas, I can do no less than believe that there has been in this incident some misunderstanding, since it appears to me from every point of view unlikely that an official of the rank and responsibility of Señor Mayorga should have expressed himself in such wise, the more so knowing the sentiments which animate the Government of Nicaragua, not only toward the American element of Mosquitia in general, but also with respect to those citizens of the United States who unfortunately took active part in the rebellion. I have already had the honor to bring to your excellency's knowledge the reply which the President of Nicaragua made to the cablegram sent to him by Minister Barrios and myself on the 15th instant. Therein are palpably evidenced the friendly sentiments wherewith General Zelaya is animated with respect to the Government and people of the United States, such being a natural consequence of the repeated proofs of friendship and sympathy which Nicaragua has received at all times from this great nation.

As the representative of Nicaragua in this country, I can assure your excellency that the words attributed to Señor Mayorga Rivas do not in any manner interpret the feelings of my Government relative to the American citizens residing in Mosquitia, since, far from the slightest prepossession against them existing, they have ever been regarded as an element useful to the development of that region, and have been treated with the greatest consideration, being offered without reserve the ample and proverbial hospitality which distinguishes the Nicaraguan people.

I would be grateful to your excellency if you would be pleased to bring what I have stated to the high knowledge of His Excellency the President of the United States, and I have, etc.,

H. GUZMAN.

No. 95.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE,  
*Washington, August 21, 1894.*

SIR: I have to acknowledge the receipt of your dispatch of the 24th ultimo; concerning the recent disturbances in the Mosquito Reservation.

In view of the important and serious statements in your dispatch, I at once made it the basis of a note to Dr. Guzman. I now inclose a copy of the correspondence for the information and files of your legation, including the reply of Dr. Guzman, who believes that there must have been some misunderstanding as to the remarks of Señor Mayorga Rivas, to which you refer as objectionable, and which do not at any rate interpret the sentiment of the Nicaraguan Government toward American residents in the reservation.

I am, etc.,

W. Q. GRESHAM.

No. 96.

*Mr. Gresham to Mr. Bayard.*

DEPARTMENT OF STATE,  
*Washington, August 22, 1894.*

SIR: Your dispatch of the 10th instant, concerning the British position in respect to the Mosquito Reservation, has been received.

The declarations of Lord Kimberley, touching the instructions under which the British naval and consular representatives are acting in that quarter, agree with the statements made by Captain Stewart of the *Magicienne* and by Vice-Consul Hatch to our naval commander. This wise policy, if continued, will, the President believes, promote a settlement of the troubles not inconsistent with the sovereign rights of Nicaragua.

Your comments upon the situation show that the reliance of the Department upon your intimate knowledge of the question has not been misplaced. You rightly interpret the purpose of this Government to confine its protection of American citizens and enterprises in that quarter to such interests as may be legitimately established there.

As you have already been advised, a Nicaraguan envoy is now on his way to London to confer with Lord Kimberley in relation to the Mosquito troubles. Should Señor Barrios seek your confidence in this regard your good judgment will determine whether or not he should see your No. 270.

I am, etc.,

W. Q. GRESHAM.

No. 97.

*Mr. Braida to Mr. Uhl.*

CONSULATE OF THE UNITED STATES,  
*San Juan del Norte, August 23, 1894.*

(Received September 5, 1894.)

SIR: I have the honor to transmit herewith copies of the correspondence in behalf of the release of the American citizens, Mr. J. S. Lamp-ton and Capt. George B. Wiltbank, in order to leave this country, as

offered to them at Bluefields by General Porto Carrero, in the name of Minister Madriz.

Also the answer received from General-in-Chief Don P. Reyes. I beg also to report that Her Majesty's Ship *Mohawk* arrived last night, 6 p. m., off Grey Town. Captain Stuart came immediately on shore and had an interview with General Reyes, visited the prisoners, and called on me. He sails back to Port Limon, expecting to find instructions concerning the offensive policy recently developed by the Nicaraguan officials against the British representatives. The Bluefields proconsul being arrested, and no navy officer accepted to perform the consular service, Dr. J. Johnstone, new appointed consul for Nicaragua, resident at San Juan del Norte, has also been declared to be ignored, and so there is de facto not one British consular representation along the Atlantic coast of Nicaragua. The fourteen prisoners will to-morrow be taken to Managua.

I have, etc.,

S. C. BRAIDA,  
*United States Consul.*

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[Inclosure 1 in No. 97.]

*Messrs. Lampton and Wiltbank to Mr. Braida.*

GREY TOWN, NICARAGUA, *August, 1894.*

SIR: On the 16th instant we, the undersigned, were arrested in the town of Bluefields by order of Dr. Madriz, special commissioner to the Mosquito Reserve, and informed that we had to proceed to Managua to answer for our conduct in the reserve, the particulars of which the officer in charge declined to give, as it was the decree of Dr. Madriz that we had to be taken to Managua or leave the country. We stated unless we could be informed of charges against us, and not knowing any reasons for such arbitrary measures, and being a different language and laws quite contrary to those under which we came into the country, namely, the Mosquito Reserve, under the treaty of Managua, English-speaking community, English laws, we elected to leave the country than to proceed to Managua. We were informed that we had to proceed to Grey Town. We have arrived here, and now ask that you demand from the general in command our release, in accordance with the condition made by Dr. Madriz, through his officer, Gen. Porto Carrero.

We are, etc.,

J. S. LAMPTON, *Planter.*  
GEO. B. WILTBANK, *Planter.*

This is a true copy.  
[SEAL.]

S. C. BRAIDA,  
*United States Consul.*

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[Inclosure 2 in No. 97.]

*Mr. Braida to General Reyes.*

UNITED STATES CONSULATE,  
*San Juan del Norte, August 22, 1894.*

SIR: I received last night a communication from the two American citizens, Mr. J. S. Lampton and Mr. George B. Wiltbank, arrested at Bluefields and brought here in your charge. I beg to transmit you here-



with a copy of the same, and have the honor to demand the release of the two gentlemen on the condition granted by his excellency, Minister Don José Madriz—that they may leave this country. I add to this request my exequatur, proving that I am the authorized consul of the United States for San Juan del Norte and dependencies thereof, expecting that you will be so good as to return it to me after having examined it.

I have, etc.,

[SEAL.]

S. C. BRAIDA,  
*United States Consul.*

[ Inclosure 3 in No. 97—Translation.]

*General Reges to Mr. Braida.*

SAN JUAN DEL NORTE, *August 22, 1894.*

SIR: I have received your very attentive communication of this date, together with the exposition, a copy of which you inclose the same, which has been brought to your knowledge by two American citizens. I am very sorry not to be able to accede to your desire, for it is my duty to comply strictly with the written instructions placed in my hands by Minister José Madriz, the representative of the executive power on the Atlantic coast. He has not consigned in these instructions the faculty and power to give them, the political prisoners, liberty to leave the country, who came guarded by the forces which I command.

I have, etc.,

P. REYES.

No. 98.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, August 27, 1894. (Received September 13.)*

SIR: Your dispatch of the 4th instant, relative to the recent disturbances at Bluefields, has been received and its contents noted.

It has been a source of deep regret to me that illness, coupled with the abominable mail and telegraphic service, have prevented my more promptly transmitting to the Department full advices as to the affairs transpiring in Mosquitia, but, as I have just learned through Consul S. C. Braida, of San Juan del Norte, that several American citizens were arrested at Bluefields, under orders from Special Commissioner Madriz, and are now being transported to this capital, I will, no doubt, be able to render more valuable service here than if I were in Bluefields.

Through the medium of conversations with the President of Nicaragua I think that I have been of some use in this affair, while the powerful naval force of the United States now on the Mosquito coast is much more able to enforce any demands that should be made than I am.

Upon the arrival of the said prisoners I shall immediately report to the Department full particulars as to their cases.

I have, etc.,

LEWIS BAKER.

No. 99.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, August 28, 1894. (Received September 13.)*

SIR: On the morning of the 16th of August two citizens of the United States and twelve subjects of Great Britain, all residents of Bluefields, Nicaragua, were placed under arrest by order of Commissioner Madriz and sent immediately to Managua, without any opportunity to arrange any of their business or family affairs or to make any other preparations for their enforced journey or their comfort. They arrived at this place last evening, after twelve days of most disagreeable travel. They were in charge of General Reyes. I promptly called upon the General and upon the prisoners after their arrival. At my request the General kindly permitted me to take the two Americans to my house for the evening. The names of these gentlemen are J. S. Lampton and George B. Wiltbank. No charges have been made against any of the persons under arrest.

Of the two Americans, I believe it can truthfully be said that they have neither of them been unfriendly, by word or deed, to the Government of Nicaragua. Mr. Wiltbank accepted the position of magistrate to act during the time that the functions of the Nicaraguan Government were suspended at Bluefields in July last, and Mr. Lampton acted as a member of the council formed during the same interregnum. Both of these men were urged to accept these respective positions by the business men of the place, and their acceptance met the approval of Commander O'Neil, of the U. S. S. *Marblehead*. During their incumbency of these positions they did not, either officially or unofficially, so they affirm, perform any act detrimental to the sovereignty or dignity of the supreme Government of Nicaragua, their official acts being confined to a preservation of the peace in the town and the promotion of the local business interests.

Having had a full consultation with these men, I will see the President in their behalf, at his convenience, to-day. As our mail for New York closes here this morning at 8.30, I hasten to get this in the post-office.

The names of the British subjects here under arrest follow:

E. D. Hatch, Her Britannic Majesty's vice-consul at Bluefields; W. H. Brown, Captain Brownrigg, H. C. Ingram, John Taylor, M. Taylor, J. O. Thomas, W. Glover, S. Hodgson, George Hodgson, J. W. Cuthbert, attorney-general and chief adviser of the Mosquito chief, and Charles Patterson, the late vice-president of the Mosquito Government.

It will be observed that in the list of prisoners the names of the vice-president and of the attorney-general and chief adviser of Chief Clarence appear. Chief Clarence was taken by the British man-of-war to Jamaica for preservation.

I am, etc.,

LEWIS BAKER.

P. S.—As I was about to mail the above my morning papers arrived announcing that Messrs. Lampton and Wiltbank are to be expelled from the country. Thinking that they might be sent this morning on the ship now due, I promptly addressed the inclosed statement and protest to the President.

[Inclosure in No. 99.]

*Mr. Baker to President Zelaya.*

LEGATION OF THE UNITED STATES,  
NICARAGUA, COSTA RICA AND SALVADOR,  
*Managua, August 28, 1894.*

MR. PRESIDENT: I observe it stated in a morning paper that Messrs. J. S. Lampton and George B. Wiltbank, together with several other residents of Bluefields, were arrested and brought to this city as prisoners for active participation in the outbreak in the Mosquito Reserve in July. It is also stated that your excellency has decreed that these two men, with others, are to be exiled from the country. Messrs. Lampton and Wiltbank are citizens of the United States. They deny that they participated in any way in the movement to overthrow the supremacy of Nicaragua in July last, or at any other time. They claim that their every movement during the time was intended to restore peace and preserve the business interests of the country.

But, Mr. President, should they be shown to be mistaken in this, the constitution of Nicaragua, if I read it correctly, guarantees to them a reasonable time in which to wind up their business affairs.

If the announcement that these men are to be expelled from the country is correct, and if it is the intention to send them at once in the face of this guarantee, I must, in the name of the Government of the United States, whose citizens they are, enter my respectful but most earnest protest. I ask that they be given a reasonable time in which to dispose of their business interests.

With great respect, etc.,

LEWIS BAKER.

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No. 100.

*Mr. Gresham to Mr. Baker.*

[Telegram.]

WASHINGTON, *August 29, 1894.*

The President is pained to learn, through reports of naval commander, that American citizens at Bluefields who, on invitation, visited the commissioner, were arbitrarily seized, denied permission to see families and friends, and forcibly taken to Managua to answer unknown charges, and that protests against this lawless proceeding have been ignored. Such arrest, besides violating treaty of 1887, is an ungenerous response to the friendly disposition recently manifested by this Government respecting the sovereignty of Nicaragua over the Mosquito territory. You will demand immediate open trial of the accused with all guarantees of defense secured by treaty, and in default thereof their release.

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No. 101.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
MANAGUA, *August 30, 1894.* (Received September 14, 1894.)

SIR: I received your cable and I at once sent the inclosed "demand" to the Nicaraguan Government.

I may here remark that Messrs. Lampton and Wiltbank, the two Americans who were brought to Managua, and afterwards sent out of the country without trial, were not aware that the United States naval commander had made any protest against their arbitrary arrest, treatment, and expulsion. The commander sent no word of information to me, and I was left with the inference that our commander knew that these men were guilty of fomenting trouble and should be sent out of the country. This seeming action, or want of action, on the part of the commander made it the more difficult for me to know how much I should demand.

Besides, having in view the fact that I made a "demand" in the Argüello case in the name of the United States, which was virtually ignored by this Government and apparently dropped by ours, I tried in this case to be especially judicious and to not protest too vigorously.

I have, etc.,

LEWIS BAKER.

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[Inclosure 1 in No. 101.]

*Mr. Baker to Minister of Foreign Affairs.*

LEGATION OF THE UNITED STATES, NICARAGUA,  
COSTA RICA, AND SALVADOR,  
*Managua, August 30, 1894.*

MR. MINISTER: On the 28th instant I had the unpleasant duty of presenting, in the name of the Government of the United States, a firm protest against the proceedings taken by the Government of Nicaragua in the arbitrary arrest and expulsion from this country, without trial and without previous notice, of two American citizens who are engaged in business in Bluefields. Your answer, received on the afternoon of the same day, asserted that these men were guilty of high crimes against this Government. If this is true it is susceptible of proof. In my note I appealed to your own constitution for their protection; and I now respectfully represent that your action in hastily expelling these men is in direct violation of your treaty with the United States of 1867.

I am instructed by the President of the United States to say to you that he "is pained to learn that American citizens at Bluefields, who, on invitation, visited the commissioner, were arbitrarily seized, denied permission to see their families and friends, and forcibly taken to Managua to answer unknown charges, and that protests of our naval representative against this unlawful proceeding have been ignored. Such arrest, besides violating the treaty of 1867, is an ungenerous response to the friendly disposition recently manifested by this Government respecting the sovereignty of Nicaragua over the Mosquito territory."

And the President adds in his instruction to me: "You will demand immediate, open trial of the accused, with all guarantees of defense secured by treaty, and in default thereof, their prompt release."

I am, etc.,

S. Ex. 1—27

LEWIS BAKER.

No. 102

*Mr. Braida to Mr. Uhl.*

CONSULATE OF THE UNITED STATES,  
*San Juan del Norte, August 30, 1894. (Received September 25, 1894.)*

SIR: I beg to transmit herewith a letter just received from Capt. B. B. Seat, United States consular agent at Bluefields, addressed to me, in order to contradict false representations, most inopportune at the present moment and injurious to our citizens. I also include copy of a report of Mr. Seat to Capt. Commander G. W. Sumner, of the U. S. S. *Columbia*, dated August 15.

Her Britannic Majesty's ship *Mohawk* arrived off Grey Town this morning, coming from Port Limon. Mr. H. F. Bingham, the former consul, came ashore, when the man-of-war left in the direction of Bluefields, 10 a. m.

I have, etc.,

S. C. BRAIDA.

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[Inclosure 1 in No. 102.]

*Mr. Seat to Mr. Braida.*BLUEFIELDS, NICARAGUA, *August 27, 1894.*

MY DEAR SIR: I have just now read an article published in the Times-Democrat of the 17th instant purporting to give an account of the reoccupation of Bluefields by the Nicaraguans. I must say that this article fills me with amazement and disgust.

After making disrespectful allusions to Captain Sumner and Captain O'Neil, both of whom have been faithful and true in the discharge of their whole duty as American naval officers, this scurrilous article goes on to say that "a few American flags were torn down by their owners as a result of the action of these officers in leaving Americans to the mercy of the foreigners. Even the American consul there was ready to pull down his flag and give up his commission as an empty fraud which afforded no protection to his people."

All of which is false, and a slander not only upon the American naval officers and myself, but upon the better class of the Americans who reside in Bluefields. The name of the author is not given, but it is clear from the date of the article that it was written by a nonresident who has no interest here, and who would sneakily give a stab to his countrymen to gratify perhaps imagined grievance of his own.

This article was dated Mobile, August 15, 1894, and, like many of its predecessors, was anonymous and apparently written with a reckless disregard of truth and calculated to create a sensation abroad. Ever since the local troubles began strangers have been dropping into this town and disappearing again in a few days, and then follow in the papers long articles distorting the facts and entailing injury upon the people they so wantonly calumniate.

I am surprised that a newspaper of any standing will open its columns to these unknown correspondents, who, for all they know, may have secret and dishonest motives in writing such articles. You will see the article referred to in the New Orleans Times-Democrat of the 17th, and is dated Mobile, August 15, 1894.

Yours, etc.,

B. B. SEAT,  
*United States Consular Agent.*

[Inclosure 2 in No. 102.]

*Mr. Seat to Captain Sumner.*

DEAR CAPTAIN: In conformity with your request I have the honor to report herewith that the town of Bluefields has been unusually quiet during the past week. I am not officially informed of what has been transpiring at the headquarters of Minister Madriz since the recent occupation by the Nicaraguan forces.

I am told, however, that some sort of an investigation has been going on, apparently with the view of identifying American residents of Bluefields with the uprising on the nights of the 5th and 6th of July. According to reports some mercantile firms have been charged with selling arms and ammunition to the natives, but thus far they have not succeeded in fixing upon any of said firms any criminal intent in selling firearms to the natives. All the merchants are licensed to sell general merchandise, and under such license they have for a number of years been importing large quantities of firearms and selling same to miners, rubber cutters, and others who go into the jungles. If the law makes no special prohibition against the sale of firearms, no criminal intent is to be inferred from the fact of such sale.

I do not imagine that anyone would be adjudged guilty of an offense upon a mere *ex parte* hearing, or that a trial would be conducted secretly without giving the defendant an opportunity of being confronted with the witnesses against him and to make his defense either by himself or by his attorney. For these reasons I presume the present investigation is being conducted as a court of inquiry having powers, duties, aims, and purposes similar to those of our grand juries in the United States.

The man Juan Soto was before the magistrate Mougrio yesterday. I do not know if an investigation was made by Mougrio yesterday or not. I presume, however, that he has not completed such investigation, if he has commenced it at all. Mougrio stated yesterday that the main witness had gone up the river to Rama. I send you an affidavit made before me yesterday by a woman who lives here in Bluefields.

We have Nicaraguan soldiers with rifles and bayonets passing about through the streets, but they do not challenge anyone and seem to be very quiet and orderly. Martial law still obtains, and some of the merchants are considerably exercised over the fact, as the existence of martial law suspends the liability of insurance companies and thereby exposes the merchants to great loss in case of accident.

B. B. SEAT,  
*United States Consular Agent.*

P. S. I am just informed that Mougrio tried the case of Juan Soto to-day, and that he adjudged him guilty of a breach of the peace and sentenced him to twenty-five days' imprisonment and requires a bond in the sum of \$100 to keep the peace for one year. In the meantime the Mexican one, Pedro Diaz, has been kept in close confinement under the operation of martial law since about the 6th instant without a trial.

Respectfully,

B. B. SEAT.

No. 103.

*Mr. Baker to Mr. Gresham.*

[Telegram.]

MANAGUA, August 30, 1894.

Your cable has been received. I presented your demand promptly. The United States citizens have been already expelled from Nicaragua without charges or without trial. In spite of my protest Americans marked for arbitrary expulsion. Awaiting your instructions.

No. 104.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
Managua, August 30, 1894. (Received September 14.)

SIR: In my dispatch of the date of August 28, I informed you of the probable expulsion from Nicaragua, without trial or opportunity to be heard and without time to arrange their business affairs, of two citizens of the United States, lately residents of Bluefields, viz, J. S. Lampton and George B. Wiltbank. I inclosed in that dispatch a copy of a protest which I hastily addressed to the President (as dictatorial powers had been conferred upon him, and the decree of the expulsion had been issued by him).

At 11 o'clock on the same morning the prisoners named in my dispatch were sent to Corinto and placed upon a ship the same evening. It was understood that they would be landed at Punta Arenas, Costa Rica. Their purpose, I understand, was to go from there to Port Limon, and later to the States. About two hours after the prisoners were sent away I received from the state department here the inclosed answer to my protest.

If Messrs. Lampton and Wiltbank were "chief promoters of the disturbances," and "disturbers" and "revolvers," as therein characterized, I have been misinformed. But if this was true, as charged, it was easily susceptible of proof; and proof rather than unsupported assertion would be more desirable.

I have, etc.,

LEWIS BAKER.

[Inclosure in No. 104.—Translation.]

*Mr. Matus to Mr. Baker.*

MINISTRY OF FOREIGN AFFAIRS OF NICARAGUA,  
National Palace, Managua, August 28, 1894.

SIR: The President of the Republic has honored me with the duty of answering Your Excellency's communication of this date, which has just been received.

The article contained in a newspaper of this morning is correct in saying that Messrs. J. S. Lampton, George B. Wiltbank, and other foreigners who resided in Bluefields, will be expelled from the territory of the Republic, it having resulted from the investigations that they were very much compromised in the crimes of rebellion and sedition perpetrated in the Mosquito Reserve during the first part of July last.

The President is pained at not being able to grant Your Excellency's request that sufficient time be allowed the said persons to arrange their

business affairs, because they are only in this city en route, and it would not be possible to permit them to return to Bluefields, where they have established their business, because there they are the cause of disturbance and constant intranquillity, for which reasons they have been forced to leave that place.

The constitution of the Republic, Mr. Minister, does not guarantee to foreigners a fixed time in which to arrange their private affairs when they are expelled from the country; such regulations are left to the statute laws, which have not yet been promulgated; and the measure of which we treat being purely one of police, to prevent further uprisings against the public order on the Atlantic Coast, is of an urgent character and does not admit of delay.

Permit me to call your excellency's attention to the inconvenience and danger that would be caused by allowing the chief promoters of the disorders which occurred to return to Bluefields even for a short time, as they had sufficient time to arrange their business before leaving the Mosquito Reserve.

The Government, Mr. Minister, is unavoidably in duty bound to procure the interior secure [security?] of the State and to have its sovereignty respected; and notwithstanding that the full rigor of the military law could have been applied to the disturbers for their acts, out of consideration and sentiments of humanity toward the nations to which the revolvers belong, the Government limited itself to dictate a preventive measure of a political character in use of extraordinary faculties.

With expressions of consideration of my particular esteem for Your Excellency, I have the honor to subscribe myself your very obedient servant,

M. C. MATUS.

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No. 105.

*Mr. Baker to Mr. Gresham.*

[Telegram.]

MANAGUA, September 2, 1894.

After three days' delay in acknowledging my communication delivered under your instructions, by cable, August 29, the Government of Nicaragua refuses to accede to your demand that prisoners be given trial. They contend that they are not bound to give them trial by either the treaty of 1867 or by the laws of Nicaragua. \* \* \*

Our next mail will reach Washington, D. C., October 4.

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No. 106.

*Mr. Baker to Mr Gresham.*

LEGATION OF THE UNITED STATES,  
Managua, September 3, 1894. (Received October 4.)

SIR: The story of the arrest and banishment of Messrs. J. S. Lampton and G. W. Wiltbank, the two American citizens residing and doing business at Bluefields, is briefly as follows:

On the 16th of August a messenger called upon each of these men



separately, at his place of business, and verbally informed him that the commissioner, José Madriz, desired to see him, and politely inquired if he would be good enough to call at the former's office. Of course, each gentleman answered in the affirmative, and at once, laying aside all other duties, made the call. They were ushered into an office, but not into the presence of the commissioner. The officer in charge informed them that they were prisoners. This announcement naturally caused them great surprise. They inquired upon what charges the arrest was based. No information was given in response. After exhausting every endeavor to gain this important information, and to see the commissioner in person, without avail, and finding that they were certainly to be sent to Managua without being enlightened as to the cause, they addressed themselves to an effort to gain permission to return to their places of business and residences for a few hours to prepare for their trip. No argument or expostulation could gain the granting of this reasonable and just request.

Then application was made to permit business associates or members of their families to visit them, in order that they might give some directions about their business and domestic affairs. This most reasonable request was shamelessly and brutally denied to them. Neither were they permitted to have a particle of food during the entire day, nor were they furnished with any sort of bed to lie upon that night. At a late hour friends succeeded in sending to them some blankets and a change of clothing before they were taken away.

The prisoners represent that the trip, occupying the succeeding twelve days, was in every respect as uncomfortable as can be imagined. They were herded with a strong guard, numbering about 250, of as filthy apologies for soldiers as ever shouldered muskets, and sometimes the stench about them was sickening in the extreme. The eating was in keeping with the filthy and nauseous surroundings.

Arriving on the evening of the 27th at Managua, the prisoners were marched from the railroad station to the palace, where the President informed them that he would look over his telegrams that night and would send for them next morning. On their petition and that of their friends they were permitted to spend the night in the hotel at their own expense instead of in the prison, which latter is a wretched, filthy place, from all accounts I have had of it.

The next morning, between 9 and 10 o'clock, the prisoners were all—for there were fourteen, two Americans and twelve British—notified to get ready to go to the palace. After washing and brushing up and announcing their readiness to go, word was whispered into the ears of some of them that perhaps it would be as well if they would take their baggage with them. This was hastily packed up, and they were marched directly to the steamboat landing, under armed guards, and carried, without any chance whatever to be heard in their own behalf, out of the country.

The evening of the arrival of the prisoners in Managua the two Americans spent at my house, and they gave me the above information. They also told me that the few Americans at Bluefields who were conscious of having committed any unlawful acts against the sovereign Government had left the country of their own accord, and they had remained in the full consciousness of having contributed all in their power toward the preservation of the peace.

On the following morning the little newspaper edited by Mr. José D. Gamez contained an item intimating that a portion of the prisoners, including the two Americans, would be banished from the

country. It did not say when this would be done. But I lost not one moment in addressing a hasty note to the President (see inclosure in my No. 375), earnestly protesting against the banishment of Messrs. Lampton and Wiltbank without an opportunity being given them to return to their homes and putting their business in order, and an impartial trial being secured to them. No attention was paid to this protest until after the prisoners had been sent on their way.

The reply of this Government was to the effect that it would be dangerous to the peace of the country to permit these "chief promoters of the disorders" to return to Bluefields even for a short time, and that the prisoners had had ample time to put their business affairs in order before leaving. (See inclosure in my No. 377.)

On the night of the 29th I received your cable of that date, instructing me to "demand immediate open trial of the accused, with all guarantees of defense secured by treaty; and in default thereof, their release."

At an early hour on the morning of the 30th I presented your demand, in the name of the President of the United States. (See inclosure in my No. 378.)

At 6 o'clock on the evening of September 1, three days having elapsed, the answer was delivered at the legation. In this the Nicaraguan Government takes the altogether untenable position that neither the treaty of 1867 nor their own laws require them to give trial to the accused. They point to the fact that they do not give trial to their own citizens, and argue that American citizens can not claim better treatment at the hands of the Government than they give to their own. This communication I did not answer.

So the matter stands to-day.

I have, etc.,

LEWIS BAKER.

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[Inclosure in No. 106.—Translation.]

*Mr. Matus to Mr. Baker.*

MINISTRY OF FOREIGN AFFAIRS OF NICARAGUA,  
National Palace, Managua, August 31, 1894.

(Received 6 p. m., September 1, 1894.)

MR. MINISTER: I have had the honor of receiving Your Excellency's communication of yesterday, in which you remind me that on the 28th instant Your Excellency entered a protest against the proceedings of my Government in the arbitrary arrest and expulsion from this country, without previous notice or trial, of American citizens who were engaged in business at Bluefields. Your Excellency states that on the same day you received my reply in which I informed you that the Government adopted such proceedings against those parties because they had been implicated in the uprisings which occurred in the Mosquito Reserve, and you say that if such is the case, it is susceptible of proof. Your excellency also reminds me of having called my attention to the protection guaranteed to foreigners by our constitution (ley fundamental), and add that you must now respectfully protest against the expulsion already effected, which you characterize as an act of hostility, and hold to be in direct violation of our treaty with the United States of 1867.

In continuing, Your Excellency transmits to me your instructions from the President of the United States. In them it is affirmed that

he has been pained to learn that American citizens residing at Bluefields were suddenly and arbitrarily arrested without permitting them to see their families and friends, and were forcibly taken to Managua to answer charges; that in spite of the protests of the American naval agents, the proceedings were continued, ignoring the motives which occasioned them; that this arrest is in violation of the treaty of 1867, and is far from being a generous response to the friendly disposition recently manifested by the United States Government respecting the sovereignty of Nicaragua over the Mosquito territory; and in conclusion the President demands (pide) that the accused be tried with all guarantees of defense secured by the treaty existing between the two countries, and in default of this, their immediate release.

The measure, Mr. Minister, which my Government dictated on the 28th instant, is purely political and of high police, adopted to maintain public security, by expelling from the country certain disturbing elements, pernicious in the present circumstances of the Republic. According to that measure a previous trial, with all the formalities of the law, is not required, but certain investigations to prove the responsibility of the persons suspected are enough to justify the proceeding. This is based upon the laws of July 21, and the 18th of August, passed by the National Assembly, with the object of effecting our sovereignty over the Atlantic Coast, of maintaining it throughout the country, and of assuring the public tranquillity.

In the second article of the former law the Executive is authorized to adopt such measures as he may judge convenient, with the said object, and in article 3 the mode of procedure is set forth. The law of the 18th instant provides that in case of crimes against the peace and public security the Executive shall proceed administratively (*gubernativamente*); and, as in matters of legal proceedings the laws are retroactive, so this latter law could have been applied to the parties implicated in the Bluefields rebellion.

My Government does not think that the resolution of the 28th instant is in violation of the treaty of 1867, existing between Nicaragua and the United States of America. An equality of guarantees and proceedings is insured by said convention to Nicaraguans and Americans, and that equality has been maintained in this case; in fact, on the 1st instant, that same law was applied to certain citizens of this Republic, among whom were some high ecclesiastical dignitaries, in exactly the same manner as was applied nine days later to the sons of the great American Republic. These persons have, therefore, been treated the same as Nicaraguans under equal circumstances.

I must call your excellency's attention to the fact that the prisoners were treated with the greatest consideration, having enjoyed all of the commodities offered by our country; en route they were in comparative liberty, having had no other escort than the aides-de-camp of the general in chief; they were lodged at the principal hotels; their first-class passage was paid on the railroads and steamers. In this capital the President gave them an audience, during which they were unable to refute the charges brought against them, because the part they took in these affairs is undeniable.

Your excellency says that if the responsibilities incurred by Messrs. J. S. Lampton and George B. Wiltbank are true, it is susceptible of proof. Nothing is more evident, Mr. Minister. It will suffice for me to tell your excellency that the former served on the council born of the Bluefields rebellion, and the latter acted as magistrate of the same, thus assuming all the responsibilities incurred by the rebels against

the Government of Nicaragua for the attempts against its sovereignty on the 5th, 6th, and 7th of last July, and for all other acts of the rebellion. On the 5th of the said month the rebels attacked the commissioner's palace; on the 6th they dragged our flag through the streets of the city, and on the 7th they assaulted with perfidy our small garrison on the bluff, taking possession of its arms and killing in an unjustifiable manner several of our soldiers. At Corn Island, also, they fired on the Nicaraguan authorities, wounding the secretary of the chief of police and burning the police building.

And the responsibility for all these acts rests upon Messrs. Lampton and Wiltbank, as they were members of the rebels, as well as upon the other participants of the rebellion. Those acts are public and notorious, they were witnessed by the city of Bluefields, they happened in sight of the American ship *Marblehead*, and the press universally has published accounts of them, and they have been verified by Dr. José Madriz, special commissioner of the Government to the Mosquito Reserve, in his investigations, which resulted in his obtaining evidence so clear and truthful that my Government will not hesitate to present it to the Government of the United States, that it may judge for itself and acknowledge the soundness of the motives for this Government's actions. To that end it will send a copy of the evidence directly to the Cabinet at Washington through our minister, Dr. Guzman.

As an eloquent testimony of the moderation with which this Government has acted in dealing with the rebels against the peace of the Republic I must call your excellency's attention to the fact that if they had been tried according to the ordinary laws the tribunals would have applied to them the most vigorous penalties of the military ordinances; but that was avoided by resorting to the law of August 18 and dictating a more benignant measure and one of a purely political character, and the Government has carried its impartiality so far that the persons against whom less serious charges were brought have only been confined in the interior of the country.

Mr. Minister, the Government of Nicaragua does not think that in acting in conformity with the laws as it has done, and in treating the American citizens as Nicaraguans according to the manner in which they have been treated, the Government of the United States can complain that mine has not reciprocated the friendly feeling which the former has always shown in upholding our sovereignty over Mosquitia; on the contrary, it is the belief of my Government that the United States Government is obliged, in this case more than in any other, to do Nicaragua justice, because it has never doubted our rights on the Atlantic coast, but has protected them by the Monroe doctrine, which is the protection of the American nations; has supported them in memorable treaties, and has defended our rights in bright pleadings of its Cabinet; and consequently it can not but now acknowledge the sovereign act exercised by Nicaragua in having ordered the expulsion from its territory of those who disturbed the peace of the Republic by pretending to deny its sovereignty over a very important portion of our soil.

My Government would have acted with remarkable injustice if in expelling from the country the English subjects who were the promoters and leaders of the Mosquito rebellion it had not done likewise to some of their accomplices, on the ground that they were the sons of a friendly republic, as is the United States of America, to which we are united, not only by the fraternal ties of sympathy, but by the common interest of the continent and those created by the grand enterprise of the inter-oceanic canal.

My Government is confident, Mr. Minister, that these explanations will be sufficient to justify its proceedings against Messrs. Lampton and Wiltbank, and to dispel whatever bad impression such proceedings may have created; and, above all, this is no case to be taken as an act of hostility toward the great American nation which you represent among us, and with which we are happily united by the ties of friendship, interest, and family.

With all consideration and my highest expression of esteem for your excellency, I have the honor to subscribe myself your very obedient servant,

M. C. MATUS.

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No. 107.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, September 12, 1894. (Received October 4.)*

SIR: In my official dispatch dated July 27, the following paragraph occurs:

I had a talk with Dr. Madriz this morning and I find his mind filled with the idea that the Americans are at the bottom of the trouble at Bluefields; and his assistant secretary, Roman Mayorga Rivas, more frank than discreet, announced the purpose of the Government to take down 1,000 troops and 4 cannon, and to butcher all the Americans in that territory if necessary to establish and maintain Nicaraguan rule there.

Mr. Mayorga has informed me that Minister Guzman writes from Washington that he (Mayorga) made use of this language to me. While this is not exactly the case, he has now admitted to me that he did make use of substantially this language to my informants, but that he was in fun. Mr. H. C. Emery, of Boston, first informed me of this man's talk. I was so astounded that I requested Mr. Emery to see Mr. Mayorga and call his attention to the expression reported to have been used by him. Mr. Emery did so, and afterwards called upon me and said that Mr. Mayorga repeated to him almost the identical expression.

The words were first used by Mr. Mayorga while in conversation with Mr. P. W. Chamberlain, a reputable American citizen and correspondent of the New York Herald. It was afterwards repeated, in substance, to Mr. H. C. Emery, of the mahogany firm of that name, Boston, Mass.

Mr. Mayorga has since been relieved of his official position and is now in private life. He had always claimed to be an especially good friend of Americans, and I was astounded to hear of his use of the intemperate language attributed to him.

I have, etc.,

LEWIS BAKER.

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No. 108.

*Mr. Guzman to Mr. Gresham.*

[Translation.]

LEGATION OF THE REPUBLIC OF NICARAGUA,  
*Washington, September 22, 1894. (Received September 22.)*

SIR: The American citizens, Lampton and Wiltbank, were, as I told your excellency, expelled from Nicaragua because they took part in the revolutionary movement against the lawful authority, ignored the

sovereignty of the Republic over Mosquitia and supported the so-called government of Robert Henry Clarence.

It is true that under the treaty concluded June 21, 1867, between Nicaragua and the United States, Messrs. Lampton and Wiltbank had the right to reside in the Nicaraguan territory and there to pursue their business in full security and safety, but they forfeited their right from the very fact that they took part in an armed rebellion against a nation that had admitted them in her midst. From the time when they placed themselves in such an attitude they made themselves dangerous persons for the public peace, and they are without any right to claim protection in accordance with the above-mentioned treaty.

The Government of the United States maintains its right to exclude from American territory all persons deemed by it to endanger the welfare and peace of the country, and this powerful Republic has too great a sense of justice to deny to other nations that which she claims for herself.

If Messrs. Lampton and Wiltbanks wish to return to Bluefields for a reasonable period for the purpose of there arranging their affairs and disposing of their property, should they hold any, let them address to my Government a petition to that effect, and their request will be granted without delay, for nothing affords more gratification to Nicaragua than an opportunity to demonstrate the friendly feelings by which it is animated toward the Government and the people of the United States.

I have, etc.,

H. GUZMAN.

No. 109.

*Mr. Gresham to Mr. Baker.*

[Telegram.]

WASHINGTON, September 24, 1894.

Nicaraguan minister says Wiltbank and Lampton will be allowed, on request, to return to Bluefields to wind up business. Have they property or families at Bluefields or in Mosquito? In what business were they before July 5? Communicate with them without delay and report.

No. 110.

*Mr. Braida to Mr. Uhl.*

UNITED STATES CONSULATE,  
San Juan del Norte, September 25, 1894.

(Received October 20.)

SIR: I have the honor to transmit to you an affidavit filed at the office of the consular agency at Bluefields by Mr. N. L. Latson, purser of the American steamship *Yulu*.

The facts mentioned therein have previously been stated to me by other persons, and have been confidentially reported to the Hon. Lewis Baker.

I have, etc.,

S. C. BRAIDA.

[Inclosure in No. 110.]

*Affidavit of N. L. Latson.*UNITED STATES CONSULAR AGENCY,  
*Bluefields, Nicaragua, September 22, 1894.*

This day, before me, the undersigned authority, personally came and appeared Norman L. Latson, to me known, and on his oath declares that heretofore, to wit, on or about the 3d day of August, 1894, affiant was purser on board the American steamship *Yulu*, which arrived off Bluefields on the 3d day of August, 1894, having on board five hundred or thereabouts Nicaraguan soldiers and officials, among whom were Mr. José Madriz, Nicaraguan minister of foreign affairs, General Portocarrero, judge-advocate, and Carlos Lacayo, ex-commissioner of the Mosquito Reserve. Affiant further states that upon approaching the U. S. S. *Columbia*, which was at anchor off Bluefields, the captain of the *Yulu* signaled that he had on board the above-mentioned troops and soldiers, under protest.

He was thereupon ordered by the U. S. S. *Columbia* to anchor alongside, and was shortly afterward boarded by Lieut. O. W. Lowry, of said vessel. Lieutenant Lowry refused to allow the captain of the steamship *Yulu* to disembark the Nicaraguan troops aboard until he had communicated with Captain Sumner, of the steamship *Columbia*, who was in the town of Bluefields. He directed Captain Johnson to take the steamship *Yulu* into the harbor of Bluefields and to come to an anchor there. Lieutenant Lowry also placed aboard the steamship *Yulu* a boat's crew of eleven men, in charge of Ensign Kuenzli, who was to prevent the disembarkation of the Nicaraguan troops until the return of Lieutenant Lowry, who went into the town in the steam launch of the *Columbia* to receive instructions from Captain Sumner. Lieutenant Lowry offered to convey Minister Madriz and any of his officers into the town in his steam launch, but the proffered offer was refused, whereupon Lieutenant Lowry stated that he would return with Captain Sumner's answer in the shortest possible time—probably two hours.

Affiant further states that the Nicaraguan officials were very indignant at the refusal to allow them to disembark the troops at once, and indulged in strong language against the action of the United States. As time passed, the excitement and indignation among them began visibly to increase. The water tanks of the steamship *Yulu* had been left open by the Nicaraguan soldiers during the night, and all the fresh water allowed to escape, and the aforesaid soldiers were clamoring for water during their detention. Finally some of the officials made signals to the Government wharf, about 50 yards away, at which was stationed a force of Nicaraguan soldiers, and two boats were sent out to the steamship *Yulu* in response. Affiant further states that in the wheel-house of the steamship *Yulu* were Ensign Kuenzli with two men, the remainder at the time of the occurrence being disposed about the roof of the upper deck. There were also present Carlos Lacayo, Ramon Enriquez, a merchant from Grey-Town, Nicaragua, and the affiant, Norman L. Latson. The latter, leaning out of the window of the wheel-house, heard Minister Madriz, who was accompanied by Judge-Advocate Portocarrero, order Captain Johnson, of the steamship *Yulu*, to take his vessel in to the Government wharf at once and discharge the troops. This Captain Johnson refused to do, stating that his vessel was in con-

trol of the officer from the U. S. S. *Columbia*, and therefore not in his power to obey such a demand.

Affiant further states that thereupon Judge-Advocate Portocarrero, closely followed by Minister Madriz, rushed into the wheelhouse of the steamship *Yulu*. They were both white with anger, and Portocarrero had, in his right hand, with his finger on the spring, a clasp-knife with a blade about 8 inches long. Ensign Kuenzli sat on a portion of the steering gear of the steamship *Yulu*, within a few feet of Portocarrero, and with his back toward him. He was reading, but remarked later that he was aware something serious was impending. The two other men from the *Columbia* were on the opposite side of the wheelhouse, looking out of a window, and with their backs also turned to the Nicaraguan officials. Most of the rifles belonging to the man-of-war's men were stacked in this wheelhouse, and the Nicaraguans were aware that it would be almost impossible for the men who were on the roof to reach them in case of sudden attack. There were at least 100 Nicaraguans on the upper deck of the steamship *Yulu*, and completely surrounding her wheelhouse.

When Madriz and Portocarrero rushed into the wheelhouse they gathered around the two doors, which open on to the deck, and, with fixed bayonets and drawn swords, listened to what transpired. Portocarrero commenced a violent and insulting tirade against the United States, claiming, among other things, that her action in refusing to allow Nicaraguan troops to disembark was cowardly and the tyrannical oppression of a small and defenseless country by a large and powerful one. Madriz agreed with him, and stated that he considered this action an insult to Nicaragua through him; he further said that they had agreed to wait two hours for an answer and that nearly three had elapsed. Portocarrero then said, turning to Madriz: "Let us make them take the ship into the wharf and disembark the troops." Affiant then said: "You are making a serious mistake, General Portocarrero, and do not understand the circumstances of this detention."

Portocarrero appeared to lose control of himself, and being seconded by some encouraging exclamations from the crowd around the doors, he raised his knife, and, pointing toward the young officer, said to Madriz: "You give the command and I will throw myself upon him, and we will take the ship into the wharf against any resistance on their part." At this instant, and before Minister Madriz could reply, Captain Johnson, of the steamship *Yulu*, stepped into the room and said that he saw smoke across the lagoon, and believed that the launch was returning. Madriz then turned to Portocarrero, who still stood, knife in hand, and said: "We will wait and see whether it is the launch; we will give them half an hour more, and if it is not, we will go in anyhow." Both Lacayo and Enriquez endeavored to dissuade Portocarrero from the position he had taken, but they were not listened to. The smoke mentioned by Captain Johnson proved to be from the steam launch of the *Columbia*, and in due time Lieutenant Lowry reached the steamship *Yulu* with instructions from Captain Sumner to permit the disembarkation of the Nicaraguan troops.

Affiant further states that from his knowledge of the mood and temper of the Nicaraguan officials, and from the threats he personally heard expressed, he deposes and says that he believes a disaster and massacre aboard the steamship *Yulu* was only averted by the timely sighting of the *Columbia's* steam launch.

Affiant further states that he is a native of the United States, born



in the State of New York, and for five years a resident of Nicaragua. He also states that he thoroughly understands Spanish, in which language the above remarks were made.

NORMAN L. LATSON.

Sworn to and subscribed before me this September 22, A. D. 1894.

[L. S.]

B. B. SEAT,  
*United States Consular Agent.*

No. 111.

*Mr. Baker to Mr. Gresham.*

LEGATION OF THE UNITED STATES,  
*Managua, September 26, 1894. (Received October 24.)*

SIR: On the morning of the 15th instant I received from Commander Charles O'Neil a telegram stating that the U. S. S. *Marblehead*, with the two American exiles aboard, was at Port Limon, Costa Rica, awaiting instructions from our Government as to their disposition and inquiring if the Nicaraguan Government was desirous of sending any telegrams to Bluefields concerning them.

During my call of congratulation upon the President of Nicaragua on that afternoon, I took occasion to speak to him concerning the case of the exiles. He refused to send any communication, which fact I communicated to Commander O'Neil. The following day I sent you a telegram upon the subject confirmed in my No. 395. Yesterday I addressed the inclosed note to the Government here in order to get a confirmation of my conversation with the President. The Government's reply, with translation, is also inclosed.

I am, etc.,

LEWIS BAKER.

[Inclosure 1 in No. 111.]

*Mr. Baker to Mr. Baca.*

LEGATION OF THE UNITED STATES,  
*Managua, September 25, 1894.*

MR. MINISTER: On the 15th instant I had the honor of a brief personal interview with His Excellency the President, in regard to securing to the two American prisoners, or exiles, Messrs. Lampton and Wiltbank, a full, free, and fair trial with guarantees of a complete defense, or their unconditional liberation. In this unofficial conversation I understood the President to assure me that he would give the matter his immediate attention on the arrival of Special Commissioner Madriz, whose return, he stated, would be on the 21st.

The occasion of my writing this note at this time arises out of the fact that I received another cable from my Government last night instructing me further in the premises.

Asking the courtesy of a prompt settlement of the case of the two exiles named, I have, etc.,

LEWIS BAKER.

[Inclosure 2 in dispatch No. 111.—Translation.]

*Mr. Baca to Mr. Baker.*

MINISTRY OF FOREIGN RELATIONS,  
REPUBLIC OF NICARAGUA, NATIONAL PALACE,  
*Managua, September 25, 1894.*

Mr. MINISTER: With reference to your estimable communication of this date I have the honor to tell you that Dr. Jose Madriz, commissioner of the Government in Mosquitia, will arrive in this capital to-day, and upon the information which he will submit to this ministry the question will be decided as whether the time has come to permit Messrs. Wiltbank and Lampton to return to that region or to allow them to return for a few days in order to arrange their business affairs.

Meanwhile I take pleasure in confirming the words of the President when he assured you that the Government was well disposed toward the American citizens residing in this country, and that to prove that he will do everything possible in favor of Messrs. Lampton and Wiltbank.

With expressions of my great esteem and high consideration, I have, etc.,

F. BACA.

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No. 112.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE,  
*Washington, September 26, 1894.*

SIR: I inclose herewith copy of a letter of the 20th instant from Mr. Samuel Weil, of New Orleans, in relation to the appropriation of the Bluff Improvement Land Company's property at Bluefields by the Nicaraguan Government.

You will furnish the Department with a report on the matter as soon as may be.

I am, etc.,

W. Q. GRESHAM.

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[Inclosure in No. 112.]

*Mr. Weil to Mr. Gresham.*

NEW ORLEANS, LA., *September 20, 1894.*

DEAR SIR: The Bluff Improvement Land Company handed a protest to Minister Baker while in Bluefields in April last.

The protest was against the Nicaraguan authorities expropriating said company's property.

Kindly let me know what action has been taken in the matter, and what the result may be.

Respectfully,

SAM'L WEIL,  
(For Bluff Improvement Land Company, of Bluefields, Nicaragua.)

No. 113.

*Mr. Gresham to Mr. Baker.*DEPARTMENT OF STATE,  
*Washington, October 1, 1894.*

SIR: On the 22d ultimo the Department received from Dr. Guzman, the Nicaraguan minister at this capital, a note, copy of which is inclosed for your information.<sup>1</sup> You will observe the minister says that the two Americans, Wiltbank and Lampton, were expelled from Nicaragua because they took part, in July last, in the revolutionary movement at Bluefields, ignored the sovereignty of the Republic over Mosquito, and supported the so-called government of Robert Henry Clarence.

For many years this Government has steadily maintained that Mosquito belonged to Nicaragua, and was subject to its laws and authority; and if it be true, as asserted, that Wiltbank and Lampton participated in an insurrection having for its object the overthrow of that authority, this Government can not consistently challenge the right to expel them, provided it was exercised in a becoming manner and without undue harshness.

Under the treaty concluded between the United States and the Republic of Nicaragua in 1867, citizens of this country enjoy the right of residing and engaging in commercial or other business pursuits in Nicaragua, and even if Wiltbank and Lampton forfeited that right in the manner claimed, they were entitled, before being forcibly expelled, to a reasonable time to dispose of any business interests or possessions they had acquired there. This was denied them. On an invitation (friendly on its face) from the chief Nicaraguan official at Bluefields, they visited the public building at that place, and upon entering were arrested, upon no disclosed charge, not permitted to leave or communicate in any way with counsel or friends, taken to Managua, the capital, and there expelled from the country, notwithstanding your intervention in their behalf. I refrain from characterizing the means adopted to obtain the custody of these men.

While it is gratifying to receive the assurance of Nicaragua, through its minister here, that, on their written request, these Americans will be permitted to "return to Bluefields for a reasonable time, for the purpose of disposing of their property, should they hold any," the President is unwilling, without further information, to accept that assurance as the full measure of justice due from Nicaragua. They deny participation in the insurrection, or that they have done anything which could justly deprive them of their rights as American citizens in Nicaragua, under the treaty of 1867. The Secretary of the Navy is informed by the commander of one of our war vessels, anchored off Bluefields, that they are on board his ship, and desire an immediate open trial, and if that be denied them, they be permitted to land and again engage in their interrupted business without further molestation. On receipt of this instruction you will, without delay, ascertain and report what, if any, foundation exists for the charges upon which these men were expelled, not omitting to obtain their own statements under oath.

I am, etc.,

W Q. GRESHAM.

<sup>1</sup> See No. 108.

No. 114.

*Mr. Baker to Mr. Gresham.*LEGATION OF THE UNITED STATES,  
*Managua, Nicaragua, October 10, 1894.*

(Received November 2.)

SIR: Herewith I inclose copies of two communications received by me from the Government of Nicaragua, by which it appears that in accordance with the promise of this Government, as made through Minister Guzman, to the United States Government, and the request of Messrs. Lampton and Wiltbank, these gentlemen will be permitted to return to this country for such time as may be necessary for the arrangement of their business affairs.

I have, etc.,

LEWIS BAKER.

[Inclosure 1 in No. 114—Translation.]

*Mr. Baca to Mr. Baker.*MINISTRY OF FOREIGN RELATIONS,  
*Managua, October 9, 1894.*

MR. MINISTER: I have the pleasure of sending to Your Excellency, inclosed, a copy of a letter directed by the secretary of Gobernacion to the governor intendant of the Mosquito Reservation and inspector general of the Atlantic coast, in which is communicated the resolution of the Government in regard to the American citizens, Messrs. J. S. Lampton and George B. Wiltbank.

By this resolution Your Excellency will see the intention of my Government of always complying with the desires of the Government of the United States of America in so far as they do not interfere with the legitimate interests of Nicaragua.

I have the honor to subscribe myself, as always, Your Excellency's very attentive and obedient servant,

F. BACA.

[Inclosure 2 in No. 114—Translation.]

*Mr. Baca to Governor at Bluefields.*MINISTRY OF GOBERNACION,  
*Managua, October 9, 1894.*GOVERNOR AND INTENDANT AND INSPECTOR-GENERAL OF THE  
ATLANTIC COAST, BLUEFIELDS.

The Government has promised the United States, through Minister Guzman, that if Messrs. J. S. Lampton and George B. Wiltbank requested permission to return to the country temporarily to arrange their business they would be allowed to do so, out of special deference to the North American Republic.

Messrs. Lampton and Wiltbank, who are to-day on board the *Marblehead*, in waters of the Atlantic Coast, have made the necessary request, and consequently the Government authorizes you to permit the said gentlemen to land and remain in Nicaraguan territory for such time as may be mutually agreed upon as necessary for the settlement of their private affairs.

If, during this time, Messrs. Lampton and Wiltbank should observe strict neutrality in the interior affairs of the country, and good deportment toward the authorities of the Republic, you are, by the same act, authorized to raise absolutely the exile imposed on said persons, who, in order to obtain this pardon, must sign an act promising on their word of honor to lend the rightful obedience to the powers of Nicaragua and to all employees who represent it in that territory, and to comply with the other obligations imposed upon them by the laws of the country.

You will please send an authorized copy of this act to this ministry, as well as an account of everything relating to this affair.

Your attentive and obedient servant,

F. BACA.

This is a true copy. Managua, October 9, 1894.

MATUS.

No. 115.

*Mr. Gresham to Mr. Baker.*

[Telegram.]

WASHINGTON, October 25, 1894.

Nicaraguan minister has advised his Government to permit Wiltbank and Lampton to resume their residence and business in Mosquito. Urge that this be promptly done and report by cable.

No. 116.

*Mr. Guzman to Mr. Gresham.*

[Translation.]

LEGATION OF THE REPUBLIC OF NICARAGUA,  
Washington, October 26, 1894.

SIR: I have just received from my Government the inclosed authentic copy of the sworn declaration, made on the 26th September last, by Don Rona Mayorga Rivas before the prefect of the Department of Granada, Nicaragua, in the investigation made with reference to the expressions attributed to the said Señor Mayorga by the minister of the United States in Nicaragua, as Your Excellency had the goodness to inform me in your note of August 18, last.

It is gratifying to my Government, as well as to myself personally, to be able to remove, in so conclusive a manner, the unfavorable impression which may have been left on Your Excellency's mind by the words ascribed to Señor Mayorga, which would never in any case have had more weight than that of an individual opinion.

The good feeling entertained by the Government and people of Nicaragua at all times toward the Government and people of the United States is well known, and it is to be hoped that the relations between the two countries will continue to be in the future as cordial and sincere as they have been in the past.

I renew to Your Excellency, etc.

H. GUZMAN.

[Inclosure in No. 116—Translation.]

*Declaration of Don Roman Mayorga Rivas.*

In the city of Granada, at 3.30 p. m., on the 26th September, 1894, Don Roman Mayorga Rivas, being present in my office, stated that his name is as above written; that he is of age, a resident of Granada, and a planter. I swore him in due form, notifying him of the penalties for perjury in criminal matters, and asked him if it was true that, at the time when preparations were being made for the last expedition to Bluefields, the witness said to the American minister, Mr. Lewis Baker, or to any other person, in his official capacity as under secretary of the ministry of foreign relations, or in private as an individual, that the Government of this Republic intended to send a thousand troops and four guns to Mosquitia, and to kill all the Americans in that territory, if it was necessary, in order to establish and maintain the supremacy of Nicaragua there; to all which he replied:

That it was not true that, either in his official or private capacity, he had said anything whatever to Minister Baker with regard to the expedition to Bluefields, and that he appealed to the testimony of Mr. Baker himself, with whom the witness has never discussed the subject of the last events at Bluefields, which compelled the Government to send the expedition, because at that time the witness was not in charge of the portfolio of foreign relations, but Dr. Madriz.

That the only person with whom he conversed about the expedition was Mr. Chamberlain, and that only when the expedition was a matter of public notoriety, the proclamation of General President Zelaya having been promulgated. The witness told Mr. Chamberlain, in his private capacity—for he had no occasion to talk to him on the subject in any other—that the Government intended to punish the rebels and their instigators. These views were the same as those of the said proclamation and of the official journal.

Furthermore, the witness declares that he has not replied to a note addressed to him by the secretariat of foreign relations on this subject, because he is awaiting a reply to a letter which he had addressed to Mr. Baker, asking him for a categorical answer which would bring out the truth, to wit, that the witness has never, either in his official character, nor as a private individual, said the least thing to Mr. Baker having reference to the Bluefields expedition. It was read to him; he affirms and signs with me and the secretary, who attests: "Juan J. Bodan. R. Mayorga Rivas. Before me, José Ma. Bodan, secretary."

[L. S.]

A true copy. Managua, September 27, 1894.

F. BACA.

No. 117.

*Mr. Gresham to Mr. Baker.*DEPARTMENT OF STATE,  
Washington, October 30, 1894.

SIR: I have received your No. 383, of the 3d ultimo, inclosing a copy of the reply made by the Nicaraguan Government to your protest against the expulsion of Messrs. Lampton and Wiltbank without trial, in which that Government asserts that, as it exercises under the laws recently enacted the right to expel its own citizens without trial

American citizens residing in the Republic can not claim more favorable treatment under the treaty of 1867.

If Messrs. Lampton and Wiltbank accepted office after the overthrow of Nicaraguan authority at Bluefields on July 5, without having taken part in the insurrection which led to that result, and if their acceptance of office was merely to contribute to the protection of the community under the *de facto* government, the Department considers that their expulsion was unjustifiable.

I have, therefore, to instruct you that the two gentlemen near Auburn (whose case has been brought to the attention of the Department by the commanding officer of the U. S. S. *Marblehead*), Md. other Americans are entitled under the treaty of 1867 to reside and do business in Nicaragua; that they can not be deprived of that right unless it has been forfeited, and that they are entitled to know the grounds of forfeiture.

If forfeiture is claimed for causes other than political, they are entitled to an open and fair trial. If for alleged participation in an insurrectionary movement against Nicaragua, they should be informed of the charge against them and the evidence in support of it.

This position will be maintained by the United States hereafter in all cases.

I am, etc.,

W. Q. GRESHAM.

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No. 118.

*Mr. Guzman to Mr. Gresham.*

[Translation.]

LEGATION OF NICARAGUA,  
Washington, November 2, 1894.

SIR: Under date of the 13th ultimo the minister of foreign relations of Nicaragua tells me the following:

In conformity with the promises made to your excellency, as soon as the Government received the petition of Messrs. Lampton and Wiltbank, asking that they might be permitted to return to the country for the time required for the settlement of their business, it was granted. The courtesy of my Government has gone still further; it ordered the superior authorities of Bluefields to revoke absolutely the banishment of those gentlemen if their conduct during the term granted them was peaceable and entirely submissive to the laws of Nicaragua.

It gives me the greatest pleasure to communicate this statement to your excellency, as it proves clearly that the Nicaraguan Government is always animated by the most friendly feelings toward the Government and people of the United States.

I beg your excellency to have the goodness to communicate the foregoing resolution of my Government to His Excellency the President, and to accept, etc.,

H. GUZMAN.

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No. 119.

*Mr. De Soto to Mr. Uhl.*

CONSULATE OF THE UNITED STATES,  
San Juan del Norte, November 9, 1894. (Received December 1.)

SIR: I have the honor to report, according to letter received from Mr. B. B. Seat, United States consular agent at Bluefields, Nicaragua, and from Capt. C. O'Neil, commander of the U. S. S. *Marblehead*, that,

in accordance with permission solicited and received from the Nicaraguan Government, the United States citizens Messrs. Lampton and Wiltbank were landed in Bluefields on the 26th of October last.

Matters in Bluefields are reported very quiet and orderly, and no further troubles are anticipated. The U. S. S. *Marblehead* was to have left Bluefields for Cartagena on the 5th instant.

The municipal government was to be inaugurated at Bluefields on the 29th of October last. As soon as necessary information has been received I will write to the Department.

I understand that the Nicaraguan officials at Bluefields have adopted a conciliatory and friendly policy toward Americans and all other foreigners there.

I have had no communication from Minister L. Baker since the departure of Consul S. C. Braida.

I am informed that all is quiet and orderly in the interior also.

I have, etc.,

HENRY DE SOTO,  
*United States Vice-Consul.*

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No. 120.

*Mr. Gresham to Mr. Baker.*

DEPARTMENT OF STATE,  
*Washington, November 15, 1894.*

SIR: The Department has received yours of October 26 last, with inclosures, relating to the Nicaraguan Government's forcible seizure and occupation of the valuable property near Bluefields, known as the "bluffs," owned in part by United States citizens. In reply to the American owners' protest against this action, which you submitted to that Government, the minister of foreign affairs has written you that under the constitution of Nicaragua and international law, "no foreigner can solicit the intervention of his Government in defense of his rights or pretensions until after he has exhausted all remedies which the laws of the country in which he lives allow him, and his complaints have been disregarded with notorious injustice."

What remedies the laws of the country give for such cases are not stated. You appear to think that the courts of Nicaragua should be appealed to for redress before this Government can interfere diplomatically. The note from Mr. Matus to you seems to intimate that the injured parties are required to apply directly to the Nicaraguan Government for relief, which, if granted, will be of grace rather than of right.

In reply to Mr. Matus's suggestion that the parties should seek relief by direct appeal to his Government, it may be remarked that international law requires complaints on behalf of foreigners to come through their own Government. Unless it assumes the responsibility of presenting them, they need not be considered.

Your suggestion that recourse to the courts should be exhausted before diplomatic intervention is resorted to, is as a general proposition sound, assuming of course that the courts have jurisdiction. But the treaty between the two countries entitles American citizens whose property has been taken by Nicaragua for public purposes, without full and just compensation paid in advance, to invoke in the first instance the diplomatic intervention of the United States in their behalf.



The very act of the Government of Nicaragua in taking the property without full and just compensation paid in advance was a violation of the treaty (sec. 3, Art. IX, treaty of 1867.) No action of its courts (assuming them to have jurisdiction of such suits) can change the character of the act, or make it any the less a plain violation of the treaty.

Should the courts decide in favor of the aggrieved parties and award them compensation, and that compensation be actually paid, the treaty would still remain violated, because the compensation was not paid in advance of the taking of the property. To claim that redress must be sought through the courts is to claim that payment of compensation may be postponed till the property has actually been taken, in face of the treaty which says that payment must be made in advance. One party to a treaty can not thus practically change its terms and evade its requirements.

The American citizens suffering by this arbitrary appropriation of their property are entitled to the aid of their Government in securing from Nicaragua adequate indemnity for any losses they may have sustained.

I am, etc.,

W. Q. GRESHAM.

No. 121.

*Mr. Guzman to Mr. Gresham.*

LEGATION OF THE REPUBLIC OF NICARAGUA,  
Washington, November 22, 1894. (Received November 23, 1894.)

SIR: I have the honor to inclose the English translation of a cable message I received last evening from the Government of Nicaragua.

Accept, etc.,

H. GUZMAN.

[Inclosure in No. 121—Cablegram—Translation.]

*Mr. Madriz to Mr. Guzman.*

MANAGUA, November 21, 1894.

SIR: British Minister Gosling declares that England does not accept Nicaraguan rule in Mosquito.

MADRIZ.

No. 122.

*Mr. Guzman to Mr. Gresham.*

[Cablegram—Translation—Handed to Mr. Gresham by Mr. Guzman November 24.]

MANAGUA, November 23, 1894.

British Minister Gosling has telegraphed to Limon orders for an English man-of-war to go to Bluefields. Request American Government to send also a cruiser to that port. Very urgent.

BACA.

No. 123.

*Mr. Bayard to Mr. Gresham.*

EMBASSY OF THE UNITED STATES,  
*London, November 24, 1894. (Received December 3, 1894.)*

SIR: I have the honor to state that yesterday, by appointment, I called on Lord Kimberley at the foreign office, and the subject of the interview was the present condition of affairs between Great Britain and Nicaragua, arising out of the rough treatment of Mr. Hatch, a representative of the former Government at Bluefields, at the hands of Nicaraguan authorities.

His lordship stated the occurrences complained of dated some three months ago, and, although explanation had at once been demanded, no response was made until two days ago, when a very voluminous reply in Spanish (necessitating translation) had been sent in, but which he had not yet had time to consider.

For the purpose of sending this dispatch by the mail to-day, it is enough to say that his lordship desires explicitly to have it understood that any action in the way of obtaining redress from Nicaragua which Her Majesty's Government may hereafter decide is necessary in the premises is wholly unconnected with any political or conventional question touching the Mosquito Reservation, but is simply a proceeding, on the grounds of international law, to obtain satisfaction for an affront.

His lordship repeated to me, with much emphasis, his desire that this should be understood, and that he had no other wish than to act in accord and with the approval of the United States in matters concerning political control in Central America.

I reminded his lordship of the very imperfect civilization of the region where these difficulties had arisen, and of the incidental departures from the regulated proprieties of official life and legal methods which were naturally to be looked for in that quarter.

I told him in general substance the views I had expressed to Señor Barrios here in October last, and lately in Washington to Señor Guzman, in relation to the entire facility and finality with which the Government of Nicaragua could pacify the entire region and absorb the small remnant of Indian self government in Mosquito by simply dealing with generosity and gentle pressure with the leading Indians, and procure that "formal incorporation" of the territory of the Mosquito Reservation and the rest of Nicaragua provided for in the treaty of Managua, and thus the entire question of jurisdiction and of British or other interference could be ended.

Lord Kimberley warmly seconded this view, and expressed a desire it should be carried out.

Thus it will be perceived that Nicaragua has the matter in her own hands, and, by the exercise of common intelligence and discretion, can relieve herself from all possible complications growing out of past treaties, and her ill-advised submission to Austrian arbitration.

Mr. Barrios, who called here yesterday, produced a telegram in Spanish, unsigned, but from his Government, stating that Mr. Gosling, the British minister, declined to accept decrees of the Nicaraguan commissioner in Mosquito.

This I assume to mean that until Nicaragua has given the explanation demanded by the British Government as to the forcible arrest and deportation of their agent they will suspend relations with them.

If Nicaragua has (as is quite probable) exceeded the bounds of international amity and courtesy, she can not too soon place herself right by promptly making just amends. I am satisfied Great Britain has no insidious or unstated purposes or designs in relation to Central America; and, together with the United States, is best served by a condition of absolute peace and order in that region, uninterfered with ab exteriori.

I have, etc.,

T. F. BAYARD.

No. 124.

*Mr. Gresham to Mr. Bayard.*

[Telegram.]

WASHINGTON, November 24, 1894.

Minister from Nicaragua is advised by his Government that British minister to Nicaragua declares England does not accept Nicaraguan rule in Mosquito territory, and that British minister has telegraphed to Limon for English war vessel to go to Bluefields. While this information is not fully credited here, you will inquire and report.

No. 125.

*Mr. Bayard to Mr. Gresham.*

[Telegram.]

LONDON, November 27, 1894.

Minister for foreign affairs states war vessel not ordered Bluefields and British notification to Nicaraguan commissioner merely caveat pending discussion, and not intended as conclusive. Dispatches now on way explain situation.

BAYARD.

No. 126.

*Mr. Bayard to Mr. Gresham.*

EMBASSY OF THE UNITED STATES,  
London, November 27, 1894. (Received December 10, 1894.)

SIR: I had the honor by my dispatch of the 24th instant, to lay before you a report of the interview I had just held with the Earl of Kimberley in relation to Nicaraguan affairs and the British action connected therewith.

Late on Saturday night, the 24th instant—and after my dispatch had gone—I received your cablegram in cipher of that date (of which a translation is now herewith inclosed), and I at once communicated its purport to Lord Kimberley, and inclose herewith a copy of my note to him, dated November 26, in which I recounted my report to you.

Yesterday (Monday) afternoon I received a reply from his lordship, inviting me to call upon him at the foreign office, and at once went there.

Lord Kimberley, having my note of the 26th lying before him, stated that my report to you of the interview of Friday previous, as recited in my note of that day to him, was entirely accurate, but that he had not then informed me of his latest telegraphic instructions to the British minister at Nicaragua respecting a number of decrees which had been lately promulgated at Bluefields by the Nicaraguan commissioner, and which, pending the consideration of the incident of the arrest and expulsion of the British proconsul and the proposed discussion here by Señor Barrios, were not accepted by the British Government, but that a notification of a cautious nature—"a caveat" (as his lordship termed it)—had been filed by the British minister, in order that the assent and approval by Great Britain of these decrees, so far as they affected British interests in Nicaragua and British duty under the treaty of Managua and the Austrian award thereunder, should not be considered as conclusively given, but to remain suspended until the mission of Señor Barrios and the incident of Hatch's arrest should have reached a satisfactory termination.

I have the honor, etc.,

T. F. BAYARD.

[Inclosure in No. 126.]

*Mr. Bayard to Lord Kimberley.*

EMBASSY OF THE UNITED STATES,  
London, Monday, November 26, 1894.

DEAR LORD KIMBERLEY: After the interview which I had the honor to hold with your lordship on last Friday afternoon I wrote to my Government a full statement of what you then told me you had in possible contemplation in relation to Nicaragua, after you should have considered the reply of that Government (then undergoing translation from the Spanish) to your demand for explanation of the incident of the arrest and forcible expulsion by the Nicaraguan authorities of Mr. Hatch, the locum tenens of the British consul at Bluefields, in August last.

I reported very fully your statement of the attitude of Great Britain toward Nicaragua and your desire to have it explicitly understood by the United States that any measures Her Majesty's Government might feel obliged to adopt, by reason of the alleged ill treatment of Proconsul Hatch, or of other British subjects, at Bluefields, would be wholly apart and unconnected with the "Mosquito" question or the jurisdiction of Nicaragua over the inhabitants of the territory included in the region that bears that name; and that you proposed to proceed, solely upon grounds of international duty and self-respect, to procure such redress for an alleged wrong to your citizens as might be found just and necessary, and that no jurisdictional or other question would be involved.

Late on Saturday night, and after my dispatch had gone, I received a telegram from Secretary Gresham to the effect that the Nicaraguan minister at Washington stated that he had been informed by his Government that the British minister to Nicaragua had announced that his Government does not accept Nicaraguan rule in the Mosquito territory, and that he had sent for a British man-of-war.

The Secretary is not disposed to credit these statements, and merely

asks for information; but, before answering his telegram, I wanted to keep you advised of all the facts and, if you think I should be further informed than I was by you in our interview of Friday, you will kindly let me know, and I will at once come and see you.

And I remain, etc.,

T. F. BAYARD.

No. 127.

*Mr. Gresham to Mr. Bayard.*

[Telegram.]

WASHINGTON, November 28, 1894.

Statements in newspapers of to-day about action of United States, based upon what Great Britain has done or may do at Bluefields, pure fabrication.

No. 128.

*Mr. Gresham to Mr. Bayard.*

DEPARTMENT OF STATE,

Washington, December 3, 1894.

SIR: I have read with much interest yours of the 24th ultimo, in which you report the substance of an interview on the preceding day with Lord Kimberley in relation to the present position of question between Great Britain and Nicaragua.

\* \* \* \* \*

Lord Kimberley's statement to you that the attitude of Great Britain in this matter is wholly unconnected with any political or conventional question touching the Mosquito Reservation is in gratifying confirmation of the communications made to me by Sir Julian Pauncefote and Mr. Goschen, and I was prepared for his lordship's acquiescence in your view that the political questions involved may readily yield to pacific and generous treatment on the part of Nicaragua toward the Mosquito Indians, with a view to their formal incorporation with the Republic, as contemplated in the treaty of Managua.

The statement made to you by Señor Barrios that he had been advised by telegraph that Mr. Gosling, the British minister at Managua, "declined to accept decrees of the Nicaraguan commissioner in Mosquito," is more explicit than other information here received, and suggests that the minister's opposition may have been in regard to particular measures affecting British subjects.

I am, etc.,

W. Q. GRESHAM.

No. 129.

*Mr. Gresham to Mr. Baker.*

[Telegram.]

DEPARTMENT OF STATE,

Washington, December 15, 1894.

Have Mosquito Indians surrendered their rights under treaty of 1860 and been incorporated?

No. 130.

*Mr. Baker to Mr. Gresham.*

[Telegram.]

LEGATION OF THE UNITED STATES,  
*La Libertad, December 17, 1894.*

Mosquito Indians have surrendered their rights under the treaty of 1860 and been incorporated with Nicaragua.

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No. 131.

*Mr. Gresham to Mr. Bayard.*

[Telegram.]

DEPARTMENT OF STATE,  
*Washington, December 17, 1894.*

In response to an inquiry, our minister to Nicaragua advises me to-day that the Mosquito Indians have surrendered their rights under the treaty of 1860, and have been incorporated with Nicaragua. This confirms statement made to me by minister from Nicaragua.

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No. 132.

*Mr. Gresham to Mr. Bayard.*

[Telegram.]

WASHINGTON, *December 19, 1894.*

Captain Sumner, commander *Columbia*, telegraphs from Jamaica he is informed British Government has notified Chief Clarence at that place it will not recognize Nicaraguan commissioner in Mosquito, and to hold himself in readiness to be taken to Bluefields. This information not consistent with what the Earl of Kimberley told you, and is not credited here.

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No. 133.

*Mr. Bayard to Mr. Gresham.*

[Telegram.]

LONDON, *December 20, 1894.*

All intentions and reports of reestablishing Clarence at Bluefields denied absolutely at foreign office. Sensational attempts are apparent to create misunderstanding and misrepresent relations and intentions of the United States and Great Britain in connection with Nicaraguan affairs.

No. 134.

*Mr. McAdoo to Mr. Gresham.*NAVY DEPARTMENT,  
*Washington, December 21, 1894.*

SIR: I have the honor to inclose herewith extracts from a letter received this day from Capt. G. W. Sumner, U. S. N., commanding the U. S. S. *Columbia*, and dated off Kingston, Jamaica, December 11, 1894.

Very respectfully,

WM. MCADOO,  
*Acting Secretary.*

[Inclosure 1 in No. 134.]

*Captain Sumner to Mr. Herbert.*U. S. S. COLUMBIA (FIRST RATE),  
*Kingston, Jamaica, West Indies, December 11, 1894.*

SIR: (1) Since completing my No. 74 yesterday I have received the following information from the commanding officer of H. M. S. *Mohawk*: She is being coaled preparatory to leaving for Havana on Friday; next then to Bermuda to join the squadron there, and where she is expected to arrive by the 27th inst. He states that everything was perfectly quiet at Bluefields at time of his departure. Most of the time since we left was spent at Port Limon, making a run up to Bluefields about every fortnight and remaining there two or three days. He was relieved by the *Pelican* and left for this place on Friday last. Cabezas was still in charge of affairs at Bluefields, with Weinberger as alcalde, or chief of the municipality. He thinks there no longer exists any necessity for keeping a man-of-war in that vicinity, but that the consular representatives would be fully capable of handling the situation while it remains as at present. There was nothing to turn over to his relief, the *Pelican*, except the case of a family at Little Corn Island, which he had no time to conduct to a finish.

Cabezas promised him, however, that they would be allowed to return, and that their property would be restored to them, but as most of the latter was in live stock, the Nicaraguan soldiers had probably exterminated them by this time. He succeeded in effecting the return of Conner (English subject), whose property on Great Corn Island was in danger of confiscation. There were a number of vague charges against this man, but upon a close investigation Captain Stuart proved to his satisfaction that none of these charges could be substantiated, or in fact had any foundation, and he had no further trouble in getting permission for Conner to return.

\* \* \* \* \*

(6) Captain Stuart, of the *Mohawk*, has kindly furnished me with a copy of a late "Decree of amnesty," issued by Cabezas, copy inclosed, marked A.

\* \* \* \* \*

(10) I shall be ready for the trip to Bluefields, if so ordered, as soon as we have finished coaling.

Very respectfully,

G. W. SUMNER,  
*Captain, U. S. Navy, Commanding U. S. S. Columbia.*

[Inclosure 2 in No. 134.]

*Copy of decree of amnesty translated by Lieutenant Pears, R. N.*

Rigoberto Cabezas, intendente general of the Atlantic Coast:

Considering that since the organization of the municipal council and of all the measures adopted by the Government of Nicaragua, it is possible to concede, without prejudice to the public peace and to social interests, an amnesty in favor of certain persons concerned in the rebellion of the 5th and 6th of July last.

Considering that both the foreign citizens as well as the natives now acknowledge without restriction the national authority and laws, and in the desire of showing each day greater tokens of the sentiments of elemency which the Government of Nicaragua harbors: By virtue of the powers vested in me,

DECREE,

First. Pardon is granted to the following persons: Messrs. J. W. Cuthbert, sr., Charles Patterson, S. A. Hodgson, Washington Glover, Joseph Moody, A. Markland Taylor, Charles Lobner, W. Henry Brown, Carl Ausburn, Ben Allen.

Second. The grantees of this amnesty should present themselves on their arrival at Bluefields before this intendencia, to sign an act, promising to obey the laws and authorities of Nicaragua.

Given in the Government palace, Bluefields, 22d December, 1894.

R. CABEZAS.

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No. 135.

*Mr. Bayard to Mr. Gresham.*

EMBASSY OF THE UNITED STATES,

*London, December 22, 1894.*

SIR: As related to affairs in Nicaragua, I have now the honor to inclose herewith a copy of the telegram (translated) which I received from you on the 17th instant,\* and also a copy of your subsequent telegram of the 20th instant,† and of my telegraphic reply of the same date.‡

I have also the honor to transmit herewith a copy of a personal note from me to the Earl of Kimberley, dated the 20th instant, and his lordship's reply thereto, dated the 21st.

The purport of the statements at the foreign office is an emphatic denial of all reports or rumors indicating any intention or disposition on the part of the British Government to mingle in the local political struggles and disorders in Nicaragua and the province of Mosquito.

As I have heretofore stated in this connection, the "formal incorporation" of the inhabitants of the Mosquito region with the rest of Nicaragua is the best and most complete solution of all doubt or qualification respecting the full sovereignty of Nicaragua over the entire coast, causing the treaty of Managua to become un fait accompli, and the Austrian award and interpretation of that instrument a superfluous and negligible quantity.

Her Majesty's Government are well pleased with the prospect of

\* See No. 131.

† See No. 132.

‡ See No. 133.



having "Clarence" and his fortunes eliminated from their political responsibility.

There was the most open expression of satisfaction at the foreign office upon the reported voluntary incorporation of the Indians with the rest of Nicaragua, for it was a consummation devoutly to be wished, and they were glad to be free from the subject.

In my last telegram I referred to the obvious attempts, by sensational reports, to create mischievous misunderstandings between the two Governments, and my statement was founded upon the telegraphic accounts which find their way into the newspapers on both sides of the Atlantic.

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I have the honor to be, etc.,

T. F. BAYARD.

[Inclosure 1 in No. 135.]

[Personal.]

DECEMBER 20, 1894.

DEAR LORD KIMBERLEY: But for the announcement in the newspapers of your absence from town for the holidays I should come this morning to show you a telegram I received just now from Secretary Gresham, stating that the commander of U. S. S. *Columbia* had telegraphed from Jamaica that he had there been informed that "Clarence," the titular head of the Mosquito tribe, had been notified to hold himself in readiness to be returned to Bluefields, and that recognition of Nicaraguan order, and the late action of the inhabitants of the Mosquito region incorporating themselves with the rest of Nicaragua, was refused by the British authorities or those representing them.

I need hardly say that Mr. Gresham naturally discredits such reports; but I would be glad to have a word from you to set them at rest authoritatively.

Believe me, etc.,

T. F. BAYARD.

[Inclosure 2 in No. 135.]

KIMBERLEY HOUSE, *December 21, 1894.*

DEAR Mr. BAYARD: Mr. Bertie informs me that he gave Mr. Wells, who brought your letter of yesterday to him, an answer as to the matters referred to in it.

I am very glad that you enabled us to contradict the reports in question, which have no foundation whatever.

Believe me, sincerely yours,

KIMBERLEY.

No. 136.

*Mr. Guzman to Mr. Gresham.*

[Translation.]

NICARAGUAN LEGATION,  
*Washington, December 28, 1894.*

SIR: I have the honor to transmit to your excellency a copy of the resolution passed November 20 last by the Mosquitia convention, composed of delegates from all the native tribes of the region called the

Reserve, and which from the present date will be known by the name of "Department Zelaya."

As your excellency will observe, the convention resolved, freely and spontaneously, the absolute incorporation of that territory in the Republic of Nicaragua, recognizing the constitution of that Republic in a decisive and formal manner, in doing which they did no more than carry out the provisions of article 4 of the treaty of January, 1860, between Nicaragua and Great Britain, generally known under the name of the "treaty of Managua," in which it was provided, as was proper, that nothing should prevent, at any future time, the Mosquito Indians from carrying out the aforesaid incorporation and becoming subject to the laws and general regulations of the Republic, in place of being governed by their own customs and laws.

This decision of the Mosquito delegates puts an end to the difficulties which existed in that portion of the Nicaraguan territory, and at the same time renders impossible, in future, any attempt to ignore the recognition of the absolute sovereignty of Nicaragua over the region formerly called "Mosquitia," seeing that, in view of the resolutions of the natives themselves, no pretext at all can be found for such a procedure.

I take pleasure in assuring your excellency that Nicaragua highly appreciates the kind and opportune action of the Government of the United States during the difficulties to which I have referred, and that she recognizes how powerfully that action has contributed to the happy and final settlement of the question.

On my own part, I desire to render to your excellency personally my most sincere thanks for the friendly interest which you have always been pleased to show me in the said matter, thus contributing in an efficient manner to bring the affair to a satisfactory conclusion.

With all consideration, etc.,

H. GUZMAN.

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[Inclosure in No. 136—Translation.]

*The Mosquito convention.*

Whereas the change which took place on the 12th of February of the present year, was due to the efforts of the Nicaraguan authorities to endeavor to free us from the slavery in which we were;

Whereas we have agreed wholly to submit to the laws and authorities of Nicaragua for the purpose of forming part of their political and administrative organization;

Whereas the lack of a respectable and legitimate government is always the cause of calamity to a people, in which condition we have been for so long a time;

Whereas one of the reasons of the backward condition in which we live doubtless was the improper use of the revenues of the Mosquito territory, which were employed for purposes which had nothing to do with good administrative order;

Whereas although the constitution of Nicaragua provides for all the necessities and aspirations of a free people, we, nevertheless, desire to retain special privileges in accord with our customs and our racial disposition.

In virtue of all the foregoing, in the exercise of a natural right, and of our own free will, we hereby declare and

## DECREE.

ART. 1. The constitution of Nicaragua and its laws shall be obeyed by the Mosquito people who shall be under the protection of the flag of the Republic.

ART. 2. All revenues that may be produced by the Mosquito shore district shall be invested for the benefit of that district, and we reserve our own financial autonomy; but the said revenues shall be collected and administered by the officers of the treasury of the supreme Government.

ART. 3. Natives shall be exempt from all military service in time of peace and war.

ART. 4. No tax shall be levied upon the persons of Mosquitoes.

ART. 5. The right of suffrage shall be enjoyed by both males and females who are more than eighteen years old.

ART. 6. The native communities shall be under the immediate control of the inspecting chief and of the alcaldes and police officers in their respective localities.

ART. 7. None but Mosquito Indians shall be elected to fill the said offices.

ART. 8. Alcaldes and police officers shall hold their positions so long as they shall enjoy the confidence of the people, but they may be removed by order of the intendant or by popular motion.

ART. 9. When the alcaldes and police officers enter upon the duties of their offices the chief inspector shall administer the oath of office to them, for which purpose he shall make use of the following form: "Do you swear by God and the Bible to exert yourself in behalf of the happiness of the people that have elected you, and to obey and execute the laws of Nicaragua?" The person to whom this question is addressed shall reply, "Yes, I swear."

ART. 10. The people shall promulgate their local regulations in assemblies over which the chief shall preside, and such regulations shall be submitted for approval to the superior authority of the national Government on the coast.

ART. 11. In token of gratitude to General I. Santos Zelaya, the President of the Republic, to whose efforts we owe (enjoy) the privilege of enjoying our liberty, the district which has heretofore been known as the Mosquito Reservation shall henceforth be called the Department of Zelaya.

Done in the hall of sessions of the Mosquito convention this 20th day of November, one thousand eight hundred and ninety-four.

The signatures of the delegates follow with this authentication: "The undersigned hereby certify that they were present at the session of the Mosquito assembly in which the foregoing decree was adopted, which decree was promulgated by the unanimous consent of the representatives above named, who, being unable to write, have accepted our certificate. B. B. Seat, U. S. consular agent; J. Wienberger, alcalde of the city of Bluefields; Sam. Weill, mayor; A. Aubert, treasurer-general."

R. CABEZAS,

*Intendant-General of the Atlantic Coast of Nicaragua.*

Before me,

JOSÉ MARIA MONGRIO,

*Secretary of the Intendant's Office.*

No. 137.

*Mr. Gresham to Mr. Bayard.*DEPARTMENT OF STATE,  
*Washington, December 31, 1894.*

SIR: I have received your dispatch of the 22d instant, confirming your telegraphic denial, on Lord Kimberley's explicit authority, of the rumors of intended British intervention in Nicaragua and the supposed purpose to countenance the restoration of the Mosquito Indian régime under Clarence.

Your present dispatch amplifies the assurances you had already obtained at the foreign office, as reported in yours of November 27, that the voluntary incorporation of the Mosquito Indians into the Republic of Nicaragua would be a welcome and final solution of the problem of Mosquitia.

I inclose for your information in this regard translation of a note addressed to me by the Nicaraguan minister<sup>1</sup> here on the 28th instant, communicating text of the instrument by which those Indians have become incorporated into the Republic and subject to its general laws, with reservation of certain defined privileges, as well as a copy of my reply to Dr. Guzman.<sup>2</sup>

The full Nicaraguan correspondence, covering the events of the past year, has been prepared for transmission to the Senate in answer to a resolution calling therefor, and when communicated and printed will be sent to you.

I am, etc.,

W. Q. GRESHAM.

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No. 138.*Mr. Gresham to Dr. Guzman.*DEPARTMENT OF STATE,  
*Washington, December 31, 1894.*

SIR: I have the honor to acknowledge the receipt of your note of the 28th instant, communicating to me a copy of an instrument by which the native Mosquito Indians have become incorporated into the Republic of Nicaragua and subject to its general laws.

Having already, upon information received from the United States minister at Managua and our naval commander at Bluefields, as well as from yourself, orally expressed my satisfaction at this outcome of a situation which for nearly a year has demanded careful consideration, I take this opportunity to state the gratification it affords this Government to see the voluntary and orderly accomplishment of this important step by the native Mosquito Indians themselves.

Accept, etc.,

W. Q. GRESHAM.

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<sup>1</sup>See No. 136.<sup>2</sup>See No. 138.